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SC Department of Natural Resources



The Essence of Time: The workflow and process for timesheets

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STATE DOCUMENTS

Bridget C. Leslie
2007 CPM Candidate
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The South Carolina Department of Natural Resources (DNR) serves as the principal advocate for and steward of South Carolina's natural resources. The DNR's vision is to be a trusted and respected leader in natural resources protection and management, by consistently making wise and balanced decisions for the benefit of the state's natural resources and its people (<http://www.dnr.sc.gov/admin/aboutdnr.html>). One of the core values, "service" is shared internally to provide quality service that meets the needs and exceeds the expectations of the public and our own employees. With this vision in mind, the staff of DNR ventures out to uphold and accomplish these goals. Within the DNR there are six divisions: Executive; Land and Water Conservation; Law Enforcement; Marine Resources; Outreach and Support Services; and Wildlife and Freshwater Fisheries. Currently, there are approximately 812 employees. Of these employees, 373 are exempt and 439 are non-exempt, and of these staff 100 are temporary grant positions and 103 are time limited positions.

According to Federal and state laws, a state agency must capture actual hours worked through a time keeping method. Federal guidelines require grant employees, time limited, exempt, and non-exempt employees working on a grant to record actual time worked (29 CFR 516.1 & OMB A-87). State law §19-707.01 states each agency is required to keep an accurate record of all employee's scheduled hours of work and leave taken to be recorded in the appropriate categories and shown as either leave with or without pay. The agency head has the ultimate responsibility for the accuracy and proper maintenance of hours of work and leave records (S.C. Code Ann. § 8-11-680/Appendix B). As just mentioned, the sole responsibility of ensuring time worked is captured resides with the

director or agency head. This responsibility is also shared with the deputy directors. Actual time worked is needed for the human resources office, payroll section, and grants administration. U.S. Department of Labor requires employers to keep certain records for each non-exempt worker. Clearly, the act requires no particular form for the records, but requires employers to obtain certain identifiers and data of the hours worked by the employee (29 CFR 516.1). Also, employees identified in these rules and regulations must complete timesheets (<http://www.dol.gov/osbp/sbrefa/poster/main.htm>). With efforts to uphold the agency's vision, the management processes within the agency must be effective and always improved to better serve our internal customer, "employees." Of the many processes the agency relies upon, one process in particular that can be improved is the timesheet process.

Problem Statement:

Every pay period, which predominantly falls on the 1st and the 16th of each month, there are consistent problems encountered such as late submissions, inaccurate personal information recorded on the Time and Accountability Reports (TAR), unclear procedures, no standardization among divisions in submitting timesheets, an antiquated application used to process timesheets, excessive copies of timesheets submitted per staff, account numbers within the agency accounting system overridden, knowledge among staff that whether or not a timesheet is submitted one will still be paid, and perceptions of lack of security and confidentiality (Appendix L). In 2002, the Federal auditors cited a finding on the submission of timesheets and the need for (1) to develop written procedures and adequate internal controls to address all aspects of the Department's

timekeeping process and (2) implement a timekeeping system to accurately reflect employees' actual time charges and ensure that grants are only charged actual costs (OMB Circular A-87, Attachment B, Section 11 (h) (4) and 1996-1997 SCDNR Audit). Late submitted timesheets often result in tremendous amounts of journal entries, which may lead to additional audit findings. All of these attributes lead to an inefficient process.

Data Collection and Data Analysis:

Identification of Customers

Staff who submit multiple timesheets were obtained from the payroll and grants administration offices. Then individual meetings were arranged to meet and discuss roles in the submission of the timesheets and how timesheets were processed (Appendix D). Once this information was gathered and recorded, workflows were outlined. After further research, a survey was developed and made available to all staff (Appendix E). Then a timesheet process meeting was organized to present the purpose of this project, to review state and Federal regulations, to present workflows (Appendix F), to share timesheet process comments from the survey (Appendices G & K), and to share draft opportunities to improve the current timesheet process (Appendix H). At the time of these meetings, there were approximately fourteen (14) liaisons within the six divisions.

Workflows

From inception, the original timesheet process established required each supervisor to review and compress their staff's timesheets through the Microsoft Access application. However, for many divisions this task was delegated to a designated person whether an

administrative assistant or business manager. Reasons for this delegation were due to time constraints of the supervisors and possibly that not all of the supervisors had the timesheet database installed in the Microsoft Access application. As a result, the process evolved depending upon what division or even what section you were in.

Now, there are about 14 liaisons. The liaisons range from a business manager, supervisor, or an administrative assistant. Most liaisons can remind staff of late timesheets. However, many of the account number errors aren't detected. As a result, by the time these compressed files reach payroll most submittal errors, user errors, and account errors should be detected. However, as evidenced from the table below these errors are not corrected, which ultimately delays payroll from being processed. Then, payroll spends about two or more days tracking staff, supervisors and/or business managers to get corrected timesheet information.

	Employee Account Number Errors					
	September Pay		October Pay		November Pay	
	August PP2	September PP1	September PP2	October PP1	October PP2	November PP1
Number of Hourly Timesheets Received	95	81	80	83	75	74
Late Hourly Timesheets*	35	39	35	72	41	39
Account Number Change Errors **	197	182	246	167	210	244
Journal Entries	41	66	28	15	37	61
Manual Input by Payroll***	7	6	9	9	11	14

*Mainly refers to Late submittals (hourly and permanent employees) and may reflect electronic timesheets submitted, but not detected by C.A.T.T system in Payroll. Electronic timesheets submitted, but aren't detected by the C.A.T.T. system are detected by the hard copy timesheets received.

**Employees using different account numbers since last payroll full & part-time, accounts on hold, and wrong account numbers used

***Timesheets submitted as hard copies and payroll have to input

Presently, there are 11 workflows that make up this process. Within the workflows, the submission step varies significantly among the six divisions.

The Executive Division has one liaison and receives less than three timesheets each pay period to process. These staff submits their timesheets to their liaison who then processes the timesheets through Microsoft Access, a database application. These files are then zipped into a flat file and emailed to payroll.

Within the Land, Water and Conservation Division, there are two workflows. The non-exempt staff not working on a grant and the hourly staff submit their timesheets (approximately 40) to the division's business manager, who is the liaison. As for the exempt and non-exempt staff working on a Federal grant (approximately 35), they submit their timesheets to established email addresses developed to insure grant hours worked were captured and maintained. These email addresses are exemptts@dnr.sc.gov, nonexemptts@dnr.sc.gov, and hourlyts@dnr.sc.gov.

The Law Enforcement Division's workflow differs by the timesheet template used, and the application used to process its staff time worked. A Law Enforcement Officer completes an Employee Time Report, (Appendix I), which is submitted to the supervisor and then to the liaison for processing. Within Law Enforcement, there are approximately eleven liaisons including back up liaisons. The liaisons process the officer's timesheets (over 170 staff) through the agency accounting system, Clear Path A-Series Terminal Tool, which is also known as the C.A.T.T. system.

Law Enforcement's exempt, non-exempt, and hourly staff complete time and accountability reports as used by the other divisions to capture their time worked. The liaison processes the timesheets into one flat file and emails this file to payroll.

As for Marine Resources, all staff submits their timesheets to a Marine Resources designated email address, MRD-Timsheets@dnr.sc.gov. The grants administration staff located at the Marine Center serve as the liaisons. They process the timesheets (approximately 200+) and email this flat file to payroll. All hard copy timesheets received from Marine Resources are filed in the Marine Resources Finance section.

Outreach and Support Services has three submission workflows. Some non-exempt and hourly staff submits their timesheets to their supervisors, and the supervisor processes the timesheets into one flat file and emails this file to payroll. However, outside of the supervisors there are two other liaisons. One liaison is within the grants administration office in Columbia, who retrieves timesheets from the designated email addresses established, which also contains other division flat files. Then these timesheets are processed into one flat file and emailed to payroll. These timesheets (averages approximately 180+) include exempt, non-exempt, and hourly staff that may or may not work on a Federal grant. The other liaison is a supervisor in the boat & titling section. Hourly staff uses a time clock (approximately 10 staff). The liaison processes these hourly staff timesheets into one flat file and emails this file to payroll. Non-exempt staff emails their timesheets directly to payroll for processing.

Wildlife and Freshwater Fisheries has several liaisons. These liaisons are supervisors, administrative assistants, and the grants administration liaison. The supervisor and/or administrative assistant may process exempt, non-exempt, and hourly staff timesheets through the Access application and will forward the processed timesheets to the grants administration liaison through the designated email addresses. At this point, the grants administration liaison will then further process these timesheets with other timesheets submitted into one flat file and emails this file to payroll. All timesheets from this division whether processed or not through the Microsoft Access application are forwarded to the designated email addresses, which is maintained in the grants administration section.

Through the various submission workflows and two established applications used to process timesheets, the payroll office, which is within the Outreach and Support Services Division receives the timesheets compiled from the liaisons along with corrected or amended timesheets. These timesheets are then imported into Microsoft Access and processed. Individual timesheets received by payroll are keyed directly into the agency's accounting system. Law Enforcement timesheets, which were keyed into the C.A.T.T. are at this point merged with the other processed timesheets. Payroll generates an error report. From this report, any errors detected have to be rectified before payroll can be completed. If errors are detected, payroll notifies the business managers, supervisors, and/or staff for correction. After corrections are made payroll is encumbered, and a payroll voucher is issued.

These workflows cover the electronic versions of timesheets received. However, the hard copy timesheets are filed in various locations. Hard copy timesheets of non-exempt staff not working on a grant are forwarded to the human resources office to be filed and maintained. All timesheets for grant and non-exempt staff working on a grant are forwarded to the grants administration office to be filed. All hourly staff sends their timesheets directly to payroll. For retention purposes, timesheets should be retained for three years (<http://www.dol.gov/osbp/sbrefa/poster/main.htm> and also OMB Circular A-87). Furthermore, in submitting these timesheets, staff may fax, mail or hand deliver these timesheets, which are duplicative and redundant processes. Also, it can be confusing especially if a corrected or amended timesheet is submitted.

Within these workflows there are a number of hand-offs, movements, and unpredictable circumstances that occur slowing down the workflows, which oftentimes occur due to unclear liaisons backups, absences, due dates and approvals. The hand-off ratio is about $5/4=1.25$ or if errors, $8/4=2$. The movement ratio is $12/9=1.33$, and through clear communication and procedures the unpredictable can be managed effectively.

Survey Results

Oftentimes as staff submits their timesheets, they are unclear as to what their Federal Labor Standards Act (FLSA) position status is and tend to enter the wrong status on their timesheets. So, a question was developed to see indeed if staff knew their status. Of 203 total respondents, 108 said exempt, 76 said non-exempt, 13 said temporary grant, 8 said hourly, and only 2 were unsure. Of the total respondents, it appears that staff is aware of

their position status. Therefore, one can assume that most of these errors occur due to typographical errors or what staff believes is their status is incorrect.

Staff complains about not having access to a computer while working in the field, which is defined as outside of the Columbia Dennis Building or the Charleston Marine Center. So, staff was asked do they have access to an agency assigned computer. Of the 203 total respondents, 96.1% said yes they have access to an agency computer. Also, it was asked if one's office or section has access to an administrative assistant. One hundred and forty two (142) or 79.3% responded yes.

Of the 203 respondents, 79.8% said they complete a timesheet and 90.6% or 184 respondents indicated they are not Law Enforcement Officers. Of the total respondents demographically, 34.5% or 70 of 203 works for the Marine Resources Division and Seventy percent of the respondents are located in the Columbia or Charleston offices. One hundred and sixty five (165) staff completes their own timesheets.

As mentioned previously, the agency has approximately 14 liaisons. However from the survey, twenty-seven (27) responded that they were a division timesheet liaison, which is operationally defined as one who gathers and submits more than three (3) electronic timesheets. This number may be inflated due to the fact that some liaisons don't process the timesheets through the timesheet applications. So, staff may submit more than three timesheets, but may not process them. A follow up question asked, "If you are a division

timesheet liaison, do you use Microsoft Access to approve/process timesheets?" Only 20 responded yes.

The number of liaisons is confirmed through the question, "how many timesheets do you process?" Eighty-one responded "1-4," thirteen responded "5-10," and fourteen responded "11 or above." One can strongly assume that the true liaisons are ones who process "11 or above" timesheets. Ninety-five respondents skipped this question.

According to our Federal laws, staff time must be recorded and maintained. Some staff question why they have to submit a timesheet if they work on one Federal grant 100% of the time. The answer to this question is they don't. In 2 CFR Ch. II/pt. 225, App. B/ h. (3)/pg. 17, it states where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee (OMB Circular A-87). So, staff was asked is your salary paid from a Federal grant, 38.9% responded yes. The follow up question asked, "are you paid from multiple Federal grants?" 17.2% responded, "yes" and 83.3% responded, "no."

About sixty-six percent of the total respondents believed that the timesheet process can be improved and 127 explained and commented on ways this process may be improved.

The comments were categorized by consistently addressed themes and concerns. Those categories are electronic, deadlines, training for business managers, archive, social security numbers, standardization, procedures, time consuming, account number changes, Information Technology (IT) support on the present systems, and other (Appendix J). Clearly electronic was the main category commented on. Staff suggests an integrated application that is linked directly to the accounting system. Other most commented categories were deadlines, standardization, and procedures. Staff is very concerned with submitting timesheets every payday before the close of business. They believe that by signing their timesheets with the caveat, "By signing below I certify that this is an accurate accounting of my time worked for the indicated pay period" they are liable. However, amendments and corrections are always accepted, which supercedes any previous versions. Clearly, if staff understands the need to have timesheets submitted in a timely manner to prepare payroll, and if the timesheet template included an additional line protecting and allowing staff to make corrections to their timesheets these insecurities will probably diminish significantly. As well, if there were clear and accessible procedures and no autonomous standards by divisions, other errors would cease.

Implementation Plan:

A new timesheet application is the ideal recommendation to resolve many errors and problems encountered with the current timesheet process. Through upgraded automation, it would prevent user errors, reduce processing time, reduce insecurity and protection issues, integrate databases, and reduce journal entries.

Currently, the timesheet process allows for many errors and quality control issues with a number of redundant steps and many unpredictable variables. The ideal solution for many of these issues is a new automated timesheet application capable of retaining validated data.

One suggestion is to integrate the current timesheets into the existing E-Leave System, maintained by the Budget & Control Board's, Chief Information Office. However, this system has a moratorium preventing any new fields being added as this system is now antiquated.

A second application suggested is the current DNR accounting system, which is similarly used by the Law Enforcement Officers. It would cost approximately \$22,000 to provide DNR's accounting system licenses for 500 users. However, this amount can be lowered to only the liaisons to reduce the cost. Additional verbs will have to be created.

Hypothetically, one screen will be a template of the current TAR with the capability of an electronic signature or authorization validating the information inputted; another screen will be for the supervisor to review and approve; a screen for corrections and amendments; and a reporting screen for human resources, grants administration, and payroll to retrieve data. All data will be maintained within the accounting system and easily accessible by state and Federal auditors.

These options are only suggestions that will have to be explored for its economical advantage. However, it is clear through the indirect time costs and frequency of errors a

new timesheet application is needed. Another potential roadblock is the introduction of the new state accounting system. Until an application is approved and developed, the following recommendations are suggested, which will help alleviate a great number of problems with the current timesheet process.

Standardization

- Identify Liaisons and backups in every division
- Limit the amount of liaisons (currently approximately 14)
- Identify staff with no access to computers and assign an Administrative Assistant as liaison
- Make a standard workflow available to all staff
- Identify due dates and develop a calendar or yearly due date list accessible to staff via Intranet, which is based on the Comptroller General's deadlines
- Archive and filing in a central location, which is the Payroll Office or a File Room
- Staff use proper names as it appears in the accounting system-no nicknames

Accountability

- Oversee staff accountability to insure compliance
- Staff must complete all fields on timesheets
- Staff must complete a timesheet whether hours were actually worked or not. By doing so, it assists payroll in identifying if a check should be issued
- Require all staff to type their own timesheets or have their division liaison to complete

Training

- Training for liaisons, business managers, staff, and newly hired staff
- During orientation, make FLSA status and salary information available to new staff (PD30 screen) along with timesheet procedures

Written Procedures

- Make procedures available via Intranet

Communication

- Ongoing communication is a must
- Technology Development support on existing timesheet applications

Avoid duplication

- Eliminate fax copies except for hourly employees
- Streamline workflows

Other

- Early identification of salary account information
- Timely submission of personnel transaction requests
- Timely processing of personnel transaction requests

Implementation Plan	Month Ending			
	Early March	March	April	May
Plan submitted to Director & Deputy Directors for review	X			
Plan recommendations and opportunities to improve approved		X		
Written Procedures Developed		X		
Standard Workflow among Divisions with variation in LE		X		
Distribute due dates through a yearly calendar and post calendar on Intranet			X	
Training for Liaisons/business managers/supervisors			X	
Procedures available via Intranet			X	
New Hire Training at Orientation				X
Identification of Liaisons and backup liaisons		X		
Utilize Centralized Archive Location			X	
Begin Using Improved Process			X	

Evaluation:

If these suggestions are considered and approved, the following measures will be monitored for effectiveness on an on-going basis.

EVALUATION			
	Method 1	Method 2	Method 3
Standardization	Accessible variable list of liaisons and back ups (BM & Payroll)	Number of late submittals of timesheets (Payroll)	Number of errors detected due to incorrect personal information (Payroll)
Accountability	100% On-time submittal rate (Payroll)	No incomplete fields on timesheets (Payroll)	Supervisors notified on late submittals (Liaisons & Payroll)
Training	Number of staff attending training (HR)	Number of staff given their account information (HR)	
Written Procedures	Number of procedures disseminated to staff (HR & BM)	Number of hits to agency Intranet web-page (TD)	
Communication	Number of on-going meetings (HR/Liaisons/Payroll/Grants Admin.)	Number of emails sent to staff (BMs/Liaisons/Payroll)	Number of help desk requests (TD)

Overall, the current timesheet process has numerous areas for improvement. Hopefully, this project has brought an awareness of the current challenges and possible suggestions to help improve and make this process more efficient. As with any process, improvement is gradual and will continue even beyond this project.

Appendices

Appendix A-	29 CFR 516.1
Appendix B-	SC State Codes
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Appendix D-	Meetings with Liaisons
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Appendix A 29 CFR 516.1 - Form of records; scope of regulations.

- **Section Number:** 516.1
 - **Section Name:** Form of records; scope of regulations.
-

(a) Form of records. No particular order or form of records is prescribed by the regulations in this part. However, every employer subject to any provisions of the Fair Labor Standards Act of 1938, as amended (hereinafter referred to as the "Act"), is required to maintain records containing the information and data required by the specific sections of this part. The records may be maintained and preserved on microfilm or other basic source document of an automatic word or data processing memory provided that adequate projection or viewing equipment is available, that the reproductions are clear and identifiable by date or pay period and that extensions or transcriptions of the information required by this part are made available upon request.

(b) Scope of regulations. The regulations in this part are divided into two subparts.

(1) Subpart A of this part contains the requirements generally applicable to all employers employing covered employees, including the requirements relating to the posting of notices, the preservation and location of records, and the recordkeeping requirements for employers of employees to whom both the minimum wage provisions of section 6 or the minimum wage provisions of section 6 and the overtime pay provisions of section 7(a) of the Act apply. In addition, Sec. 516.3 contains the requirements relating to executive, administrative, and professional employees (including academic administrative personnel or teachers in elementary or secondary schools), and outside sales employees.

(2) Subpart B of this part deals with the information and data which must be kept for employees (other than executive, administrative, etc., employees) who are subject to any of the exemptions provided in the Act. This section also specifies the records needed for deductions from and additions to wages for "board, lodging, or other facilities," industrial homeworkers and employees whose tips are credited toward wages. The sections in subpart B of this part require the recording of more, less, or different items of information or data than required under the generally applicable recordkeeping requirements of subpart A.

(c) Relationship to other recordkeeping and reporting requirements. Nothing in 29 CFR part 516 shall excuse any party from complying with any recordkeeping or reporting requirement imposed by any other Federal, State or local law, ordinance, regulation or rule.

Appendix A

SECTION 8-11-680. Application of article.

The provisions of this article shall apply to all State agencies, departments and institutions and shall be administered by each such agency, department and institution pursuant to regulations adopted by the State Budget and Control Board. The article, however, shall not apply to teaching personnel and officials of academic rank at State-supported institutions of higher learning. The personnel records of all agencies, departments and institutions coming under the provisions of this article shall be subject to audit by the State Personnel Division.

19-707.01 HOURS OF WORK

- A. No agency shall have less than a 37.5-hour workweek. Generally, the core hours that an agency shall remain open for business are 8:30 a.m. to 5:00 p.m., Monday through Friday. (S.C. Code Ann. § 8-11-10)
- B. The minimum full-time workweek for employees of agencies is 37.5 hours. The agency may vary an employee's work schedule through the use of alternative scheduling strategies including telecommuting to meet the needs and service delivery requirements of the agency. (S.C. Code Ann. § 8-11-15)
- C. The agency may require an employee to work additional hours when responsibilities of the agency cannot be accomplished in the normal work hours observed by the agency.
- D. To grant any leave of absence with or without pay, the agency must approve the leave of absence in writing. An employee who is granted leave of absence with or without pay shall be:
 - 1. An employee of the State while on such leave; and
 - 2. Returned to the same position, or one in a comparable pay band for which the employee is qualified.

(Note: For information on an employee on approved leave when a reduction in force occurs, refer to Section 19-719.04. For information on an employee on approved leave qualifying under the Family Medical Leave Act (FMLA), refer to FMLA.)

- E. Any leave of absence must be approved in advance except in case of medical or personal emergencies. These situations must be justified to the agency head or his designee for approval. (S.C. Code Ann. § 8-11-670)
- F. Each agency is required to keep an accurate record of all employee's scheduled hours of work and leave taken. Leave shall be recorded in the appropriate categories and shown as either leave with or without pay. The agency head has the ultimate responsibility for the accuracy and proper maintenance of hours of work and leave records. (S.C. Code Ann. § 8-11-680) Appendix B

Appendix B

OMB CIRCULAR A-87 (REVISED 05/10/04)

CIRCULAR NO. A-87

Revised

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Cost Principles for State, Local, and Indian Tribal Governments

1. Purpose. This Circular establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally-recognized Indian tribal governments (governmental units).
2. Authority. This Circular is issued under the authority of the Budget and Accounting Act of 1921, as amended; the Budget and Accounting Procedures Act of 1950, as amended; the Chief Financial Officers Act of 1990; Reorganization Plan No. 2 of 1970; and Executive Order No. 11541 ("Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President").
3. Background. As part of the governmentwide grant streamlining effort under P.L. 106-107, *Federal Financial Award Management Improvement Act of 1999*, OMB led an interagency workgroup to simplify and make consistent, to the extent feasible, the various rules used to award Federal grants. An interagency task force was established in 2001 to review existing cost principles for Federal awards to State, local, and Indian tribal governments; Colleges and Universities; and Non-Profit organizations. The task force studied Selected Items of Cost in each of the three cost principles to determine which items of costs could be stated consistently and/or more clearly. A proposed revised Circular reflecting the results of those efforts was issued on August 12, 2002 at 67 FR 52558. Extensive comments on the proposed revisions, discussions with interest groups, and related developments were considered in developing this revision.
4. Rescissions. This Circular rescinds and supersedes Circular A-87, as amended, issued May 4, 1995.
5. Policy. This Circular establishes principles and standards to provide a uniform approach for determining costs and to promote effective program delivery, efficiency, and better relationships between governmental units and the Federal Government. The principles are for determining allowable costs only. They are not intended to identify the circumstances or to dictate the extent of Federal and governmental unit participation in the financing of a particular Federal award. Provision for profit or other increment above cost is outside the scope of this Circular.
6. Definitions. Definitions of key terms used in this Circular are contained in Attachment A, Section B.
7. Required Action. Agencies responsible for administering programs that involve cost

reimbursement contracts, grants, and other agreements with governmental units shall issue regulations to implement the provisions of this Circular and its Attachments.

8. OMB Responsibilities. The Office of Management and Budget (OMB) will review agency regulations and implementation of this Circular, and will provide policy interpretations and assistance to insure effective and efficient implementation. Any exceptions will be subject to approval by OMB. Exceptions will only be made in particular cases where adequate justification is presented.

9. Information Contact. Further information concerning this Circular may be obtained by contacting the Office of Federal Financial Management, Financial Standards and Reporting Branch, Office of Management and Budget, Washington, DC 20503, telephone 202-395-3993.

10. Policy Review Date. OMB Circular A-87 will have a policy review three years from the date of issuance.

11. Effective Date. This Circular is effective as follows:

- Except as otherwise provided herein, these rules are effective June 9, 2004.

OMB CIRCULAR NO. A-87

COST PRINCIPLES FOR STATE, LOCAL AND INDIAN TRIBAL GOVERNMENTS

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ATTACHMENT A

Circular No. A-87

GENERAL PRINCIPLES FOR DETERMINING ALLOWABLE COSTS

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A. Purpose and Scope

1. Objectives. This Attachment establishes principles for determining the allowable costs incurred by State, local, and federally-recognized Indian tribal governments (governmental units) under grants, cost reimbursement contracts, and other agreements with the Federal Government (collectively referred to in this Circular as "Federal awards"). The principles are for the purpose of cost determination and are not intended to identify the circumstances or dictate the extent of Federal or governmental unit participation in the financing of a particular program or project. The principles are designed to provide that Federal awards bear their fair share of cost recognized under these principles except where restricted or prohibited by law. Provision for profit or other increment above cost is outside the scope of this Circular.

2. Policy guides.

a. The application of these principles is based on the fundamental premises that:

(1) Governmental units are responsible for the efficient and effective administration of Federal awards through the application of sound management practices.

(2) Governmental units assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

(3) Each governmental unit, in recognition of its own unique combination of staff, facilities, and experience, will have the primary responsibility for employing whatever form of organization and management techniques may be necessary to assure proper and efficient administration of Federal awards.

b. Federal agencies should work with States or localities which wish to test alternative mechanisms for paying costs for administering Federal programs. The Office of Management and Budget (OMB) encourages Federal agencies to test fee-for-service alternatives as a replacement for current cost-reimbursement payment methods in response to the National Performance Review's (NPR) recommendation. The NPR recommended the fee-for-service approach to reduce the burden associated with maintaining systems for charging administrative costs to Federal programs and preparing and approving cost allocation plans. This approach should also increase incentives for administrative efficiencies and improve outcomes.

3. Application.

a. These principles will be applied by all Federal agencies in determining costs incurred by governmental units under Federal awards (including subawards) except those with (1) publicly-financed educational institutions subject to OMB Circular A-21, "Cost Principles for Educational Institutions," and (2) programs administered by publicly-owned hospitals and other providers of medical care that are subject to requirements promulgated by the sponsoring Federal agencies. However, this Circular does apply to all central service and department/agency costs that are allocated or billed to those educational institutions, hospitals, and other providers of medical care or services by other State and local government departments and agencies.

b. All subawards are subject to those Federal cost principles applicable to the particular organization concerned. Thus, if a subaward is to a governmental unit (other than a college, university or hospital), this Circular shall apply; if a subaward is to a commercial organization, the cost principles applicable to commercial organizations shall apply; if a subaward is to a college or university, Circular A-21 shall apply; if a subaward is to a hospital, the cost principles used by the Federal awarding agency for awards to hospitals shall apply, subject to the provisions of subsection A.3.a. of this Attachment; if a subaward is to some other non-profit organization, Circular A-122, "Cost Principles for Non-Profit Organizations," shall apply.

c. These principles shall be used as a guide in the pricing of fixed price arrangements where costs are used in determining the appropriate price.

d. Where a Federal contract awarded to a governmental unit incorporates a Cost Accounting Standards (CAS) clause, the requirements of that clause shall apply. In such cases, the

governmental unit and the cognizant Federal agency shall establish an appropriate advance agreement on how the governmental unit will comply with applicable CAS requirements when estimating, accumulating and reporting costs under CAS-covered contracts. The agreement shall indicate that OMB Circular A-87 requirements will be applied to other Federal awards. In all cases, only one set of records needs to be maintained by the governmental unit.

e. Conditional exemptions.

(1) OMB authorizes conditional exemption from OMB administrative requirements and cost principles circulars for certain Federal programs with statutorily-authorized consolidated planning and consolidated administrative funding, that are identified by a Federal agency and approved by the head of the Executive department or establishment. A Federal agency shall consult with OMB during its consideration of whether to grant such an exemption.

(2) To promote efficiency in State and local program administration, when Federal non-entitlement programs with common purposes have specific statutorily-authorized consolidated planning and consolidated administrative funding and where most of the State agency's resources come from non-Federal sources, Federal agencies may exempt these covered State-administered, non-entitlement grant programs from certain OMB grants management requirements. The exemptions would be from all but the allocability of costs provisions of OMB Circulars A-87 (Attachment A, subsection C.3), "Cost Principles for State, Local, and Indian Tribal Governments," A-21 (Section C, subpart 4), "Cost Principles for Educational Institutions," and A-122 (Attachment A, subsection A.4), "Cost Principles for Non-Profit Organizations," and from all of the administrative requirements provisions of OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," and the agencies' grants management common rule.

(3) When a Federal agency provides this flexibility, as a prerequisite to a State's exercising this option, a State must adopt its own written fiscal and administrative requirements for expending and accounting for all funds, which are consistent with the provisions of OMB Circular A-87, and extend such policies to all subrecipients. These fiscal and administrative requirements must be sufficiently specific to ensure that: funds are used in compliance with all applicable Federal statutory and regulatory provisions, costs are reasonable and necessary for operating these programs, and funds are not be used for general expenses required to carry out other responsibilities of a State or its subrecipients.

B. Definitions

1. "Approval or authorization of the awarding or cognizant Federal agency" means documentation evidencing consent prior to incurring a specific cost. If such costs are specifically identified in a Federal award document, approval of the document constitutes approval of the costs. If the costs are covered by a State/local-wide cost allocation plan or an indirect cost proposal, approval of the plan constitutes the approval.

2. "Award" means grants, cost reimbursement contracts and other agreements between a State,

local and Indian tribal government and the Federal Government.

3. "Awarding agency" means (a) with respect to a grant, cooperative agreement, or cost reimbursement contract, the Federal agency, and (b) with respect to a subaward, the party that awarded the subaward.

4. "Central service cost allocation plan" means the documentation identifying, accumulating, and allocating or developing billing rates based on the allowable costs of services provided by a governmental unit on a centralized basis to its departments and agencies. The costs of these services may be allocated or billed to users.

5. "Claim" means a written demand or written assertion by the governmental unit or grantor seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of award terms, or other relief arising under or relating to the award. A voucher, invoice or other routine request for payment that is not a dispute when submitted is not a claim. Appeals, such as those filed by a governmental unit in response to questioned audit costs, are not considered claims until a final management decision is made by the Federal awarding agency.

6. "Cognizant agency" means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this Circular on behalf of all Federal agencies. OMB publishes a listing of cognizant agencies.

7. "Common Rule" means the "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; Final Rule" originally issued at 53 FR 8034-8103 (March 11, 1988). Other common rules will be referred to by their specific titles.

8. "Contract" means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to): awards and notices of awards; job orders or task orders issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and, bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301 et seq.

9. "Cost" means an amount as determined on a cash, accrual, or other basis acceptable to the Federal awarding or cognizant agency. It does not include transfers to a general or similar fund.

10. "Cost allocation plan" means central service cost allocation plan, public assistance cost allocation plan, and indirect cost rate proposal. Each of these terms are further defined in this section.

11. "Cost objective" means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.

12. "Federally recognized Indian tribal government" means the governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community (including any native village as defined in Section 3 of the Alaska Native Claims Settlement Act, 85 Stat. 688) certified by the Secretary of the Interior as eligible for the special programs and services provided through the Bureau of Indian Affairs.

13. "Governmental unit" means the entire State, local, or federally-recognized Indian tribal government, including any component thereof. Components of governmental units may function independently of the governmental unit in accordance with the term of the award.

14. "Grantee department or agency" means the component of a State, local, or federally-recognized Indian tribal government which is responsible for the performance or administration of all or some part of a Federal award.

15. "Indirect cost rate proposal" means the documentation prepared by a governmental unit or component thereof to substantiate its request for the establishment of an indirect cost rate as described in Attachment E of this Circular.

16. "Local government" means a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (whether or not incorporated as a non-profit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

17. "Public assistance cost allocation plan" means a narrative description of the procedures that will be used in identifying, measuring and allocating all administrative costs to all of the programs administered or supervised by State public assistance agencies as described in Attachment D of this Circular.

18. "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments.

C. Basic Guidelines

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.

b. Be allocable to Federal awards under the provisions of this Circular.

c. Be authorized or not prohibited under State or local laws or regulations.

d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.

e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.

f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

g. Except as otherwise provided for in this Circular, be determined in accordance with generally accepted accounting principles.

h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.

i. Be the net of all applicable credits.

j. Be adequately documented.

2. Reasonable costs. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally- funded. In determining reasonableness of a given cost, consideration shall be given to:

a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the Federal award.

b. The restraints or requirements imposed by such factors as: sound business practices; arms length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.

c. Market prices for comparable goods or services.

d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.

e. Significant deviations from the established practices of the governmental unit which may unjustifiably increase the Federal award's cost.

3. Allocable costs.

a. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

b. All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an

appropriate allocation of indirect costs.

c. Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Circular may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons.

d. Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required as described in Attachments C, D, and E.

4. Applicable credits.

a. Applicable credits refer to those receipts or reduction of expenditure-type transactions that offset or reduce expense items allocable to Federal awards as direct or indirect costs. Examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the governmental unit relate to allowable costs, they shall be credited to the Federal award either as a cost reduction or cash refund, as appropriate.

b. In some instances, the amounts received from the Federal Government to finance activities or service operations of the governmental unit should be treated as applicable credits. Specifically, the concept of netting such credit items (including any amounts used to meet cost sharing or matching requirements) should be recognized in determining the rates or amounts to be charged to Federal awards. (See Attachment B, item 11, "Depreciation and use allowances," for areas of potential application in the matter of Federal financing of activities.)

D. Composition of Cost

1. Total cost. The total cost of Federal awards is comprised of the allowable direct cost of the program, plus its allocable portion of allowable indirect costs, less applicable credits.

2. Classification of costs. There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost. Guidelines for determining direct and indirect costs charged to Federal awards are provided in the sections that follow.

E. Direct Costs

1. General. Direct costs are those that can be identified specifically with a particular final cost objective.

2. Application. Typical direct costs chargeable to Federal awards are:

a. Compensation of employees for the time devoted and identified specifically to the

performance of those awards.

b. Cost of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

3. Minor items. Any direct cost of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives.

F. Indirect Costs

1. General. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term "indirect costs," as used herein, applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit department. Indirect cost pools should be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

2. Cost allocation plans and indirect cost proposals. Requirements for development and submission of cost allocation plans and indirect cost rate proposals are contained in Attachments C, D, and E.

3. Limitation on indirect or administrative costs.

a. In addition to restrictions contained in this Circular, there may be laws that further limit the amount of administrative or indirect cost allowed.

b. Amounts not recoverable as indirect costs or administrative costs under one Federal award may not be shifted to another Federal award, unless specifically authorized by Federal legislation or regulation.

G. Interagency Services. The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro rate share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Attachment C.

H. Required Certifications. Each cost allocation plan or indirect cost rate proposal required by Attachments C and E must comply with the following:

1. No proposal to establish a cost allocation plan or an indirect cost rate, whether submitted to a Federal cognizant agency or maintained on file by the governmental unit, shall be acceptable unless such costs have been certified by the governmental unit using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Attachments C and E. The certificate must be signed on behalf of the governmental unit by an individual at a level no lower than chief financial officer of the governmental unit that submits the proposal or component covered by the proposal.

2. No cost allocation plan or indirect cost rate shall be approved by the Federal Government unless the plan or rate proposal has been certified. Where it is necessary to establish a cost allocation plan or an indirect cost rate and the governmental unit has not submitted a certified proposal for establishing such a plan or rate in accordance with the requirements, the Federal Government may either disallow all indirect costs or unilaterally establish such a plan or rate. Such a plan or rate may be based upon audited historical data or such other data that have been furnished to the cognizant Federal agency and for which it can be demonstrated that all unallowable costs have been excluded. When a cost allocation plan or indirect cost rate is unilaterally established by the Federal Government because of failure of the governmental unit to submit a certified proposal, the plan or rate established will be set to ensure that potentially unallowable costs will not be reimbursed.

SELECTED ITEMS OF COST

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1. Advertising and public relations costs
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3. Alcoholic beverages
4. Audit costs and related services
5. Bad debts
6. Bonding costs
7. Communication costs
8. Compensation for personal services
9. Contingency provisions
10. Defense and prosecution of criminal and civil proceedings, and claims
11. Depreciation and use allowances
12. Donations and contributions
13. Employee morale, health, and welfare costs
14. Entertainment costs
15. Equipment and other capital expenditures
16. Fines and penalties
17. Fund raising and investment management costs
18. Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs
19. General government expenses

20. Goods or services for personal use
21. Idle facilities and idle capacity
22. Insurance and indemnification
23. Interest
24. Lobbying
25. Maintenance, operations, and repairs
26. Materials and supplies costs
27. Meetings and conferences
28. Memberships, subscriptions, and professional activity costs
29. Patent costs
30. Plant and homeland security costs
31. Pre-award costs
32. Professional service costs
33. Proposal costs
34. Publication and printing costs
35. Rearrangement and alteration costs
36. Reconversion costs
37. Rental costs of building and equipment
38. Royalties and other costs for the use of patents
39. Selling and marketing
40. Taxes
41. Termination costs applicable to sponsored agreements
42. Training costs
43. Travel costs.

Sections 1 through 43 provide principles to be applied in establishing the allowability or unallowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. A cost is allowable for Federal reimbursement only to the extent of benefits received by Federal awards and its conformance with the general policies and principles stated in Attachment A to this Circular. Failure to mention a particular item of cost in these sections is not intended to imply that it is either allowable or unallowable; rather, determination of allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

1. Advertising and public relations costs.

a. The term advertising costs means the costs of advertising media and corollary administrative costs.

Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.

b. The term public relations includes community relations and means those activities dedicated to maintaining the image of the governmental unit or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

c. The only allowable advertising costs are those which are solely for:

(1) The recruitment of personnel required for the performance by the governmental unit of obligations arising under a Federal award ;

(2) The procurement of goods and services for the performance of a Federal award;

(3) The disposal of scrap or surplus materials acquired in the performance of a Federal award except when governmental units are reimbursed for disposal costs at a predetermined amount; or

(4) Other specific purposes necessary to meet the requirements of the Federal award.

d. The only allowable public relations costs are:

(1) Costs specifically required by the Federal award;

(2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of Federal awards (these costs are considered necessary as part of the outreach effort for the Federal award); or

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary keep the public informed on matters of public concern, such as notices of Federal contract/grant awards, financial matters, etc.

e. Costs identified in subsections c and d if incurred for more than one Federal award or for both sponsored work and other work of the governmental unit, are allowable to the extent that the principles in Attachment A, sections E. ("Direct Costs") and F. ("Indirect Costs") are observed.

f. Unallowable advertising and public relations costs include the following:

(1) All advertising and public relations costs other than as specified in subsections c, d, and e;

(2) Costs of meetings, conventions, convocations, or other events related to other activities of the governmental unit, including:

(a) Costs of displays, demonstrations, and exhibits;

(b) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and

(c) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings;

(3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs;

(4) Costs of advertising and public relations designed solely to promote the governmental unit.

2. Advisory councils. Costs incurred by advisory councils or committees are allowable as a direct cost where authorized by the Federal awarding agency or as an indirect cost where allocable to Federal awards.

3. Alcoholic beverages. Costs of alcoholic beverages are unallowable.

4. Audit costs and related services.

a. The costs of audits required by , and performed in accordance with, the Single Audit Act, as implemented by Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" are allowable. Also see 31 USC 7505(b) and section 230 ("Audit Costs") of Circular A-133.

b. Other audit costs are allowable if included in a cost allocation plan or indirect cost proposal, or if specifically approved by the awarding agency as a direct cost to an award

c. The cost of agreed-upon procedures engagements to monitor subrecipients who are exempted from A-133 under section 200(d) are allowable, subject to the conditions listed in A-133, section 230 (b)(2).

5. Bad debts. Bad debts, including losses (whether actual or estimated) arising from uncollectable accounts and other claims, related collection costs, and related legal costs, are

unallowable.

6. Bonding costs.

a. Bonding costs arise when the Federal Government requires assurance against financial loss to itself or others by reason of the act or default of the governmental unit. They arise also in instances where the governmental unit requires similar assurance. Included are such bonds as bid, performance, payment, advance payment, infringement, and fidelity bonds.

b. Costs of bonding required pursuant to the terms of the award are allowable.

c. Costs of bonding required by the governmental unit in the general conduct of its operations are allowable to the extent that such bonding is in accordance with sound business practice and the rates and premiums are reasonable under the circumstances.

7. Communication costs. Costs incurred for telephone services, local and long distance telephone calls, telegrams, postage, messenger, electronic or computer transmittal services and the like are allowable.

8. Compensation for personal services.

a. General. Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal awards, including but not necessarily limited to wages, salaries, and fringe benefits. The costs of such compensation are allowable to the extent that they satisfy the specific requirements of this Circular, and that the total compensation for individual employees:

(1) Is reasonable for the services rendered and conforms to the established policy of the governmental unit consistently applied to both Federal and non-Federal activities;

(2) Follows an appointment made in accordance with a governmental unit's laws and rules and meets merit system or other requirements required by Federal law, where applicable; and

(3) Is determined and supported as provided in subsection h.

b. Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the governmental unit. In cases where the kinds of employees required for Federal awards are not found in the other activities of the governmental unit, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor

market in which the employing government competes for the kind of employees involved. Compensation surveys providing data representative of the labor market involved will be an acceptable basis for evaluating reasonableness.

c. Unallowable costs. Costs which are unallowable under other sections of these principles shall not be allowable under this section solely on the basis that they constitute personnel compensation.

d. Fringe benefits.

(1) Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, governmental unit-employee agreement, or an established policy of the governmental unit.

(2) The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military leave, and other similar benefits, are allowable if: (a) they are provided under established written leave policies; (b) the costs are equitably allocated to all related activities, including Federal awards; and, (c) the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental unit.

(3) When a governmental unit uses the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable in the year of payment provided they are allocated as a general administrative expense to all activities of the governmental unit or component.

(4) The accrual basis may be only used for those types of leave for which a liability as defined by Generally Accepted Accounting Principles (GAAP) exists when the leave is earned. When a governmental unit uses the accrual basis of accounting, in accordance with GAAP, allowable leave costs are the lesser of the amount accrued or funded.

(5) The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in section 22, Insurance and indemnification); pension plan costs (see subsection e.); and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, whether treated as indirect costs or as direct costs, shall be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities.

e. Pension plan costs. Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the governmental unit.

(1) For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) Pension costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The cognizant agency may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursement and the governmental unit's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the pension fund.

(3) Amounts funded by the governmental unit in excess of the actuarially determined amount for a fiscal year may be used as the governmental unit's contribution in future periods.

(4) When a governmental unit converts to an acceptable actuarial cost method, as defined by GAAP, and funds pension costs in accordance with this method, the unfunded liability at the time of conversion shall be allowable if amortized over a period of years in accordance with GAAP.

(5) The Federal Government shall receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the governmental unit in the form of a refund, withdrawal, or other credit.

f. Post-retirement health benefits. Post-retirement health benefits (PRHB) refers to costs of health insurance or health services not included in a pension plan covered by subsection e. for retirees and their spouses, dependents, and survivors. PRHB costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the governmental unit.

(1) For PRHB financed on a pay as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) PRHB costs calculated using an actuarial cost method recognized by GAAP are allowable if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The cognizant agency may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursements and the governmental unit's contributions to the PRHB fund. Adjustments may be made by cash refund, reduction in current year's PRHB costs, or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the PRHB fund.

(3) Amounts funded in excess of the actuarially determined amount for a fiscal year may be used as the government's contribution in a future period.

(4) When a governmental unit converts to an acceptable actuarial cost method and funds PRHB costs in accordance with this method, the initial unfunded liability attributable to prior years

shall be allowable if amortized over a period of years in accordance with GAAP, or, if no such GAAP period exists, over a period negotiated with the cognizant agency.

(5) To be allowable in the current year, the PRHB costs must be paid either to:

- (a) An insurer or other benefit provider as current year costs or premiums, or
 - (b) An insurer or trustee to maintain a trust fund or reserve for the sole purpose of providing post-retirement benefits to retirees and other beneficiaries.
- (6) The Federal Government shall receive an equitable share of any amounts of previously allowed post-retirement benefit costs (including earnings thereon) which revert or inure to the governmental unit in the form of a refund, withdrawal, or other credit.

g. Severance pay.

- (1) Payments in addition to regular salaries and wages made to workers whose employment is being terminated are allowable to the extent that, in each case, they are required by (a) law, (b) employer-employee agreement, or (c) established written policy.
- (2) Severance payments (but not accruals) associated with normal turnover are allowable. Such payments shall be allocated to all activities of the governmental unit as an indirect cost.
- (3) Abnormal or mass severance pay will be considered on a case-by-case basis and is allowable only if approved by the cognizant Federal agency.

h. Support of salaries and wages. These standards regarding time distribution are in addition to the standards for payroll documentation.

- (1) Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.
- (2) No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.
- (3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee.
- (4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- (a) More than one Federal award,
 - (b) A Federal award and a non-Federal award,
 - (c) An indirect cost activity and a direct cost activity,
 - (d) Two or more indirect activities which are allocated using different allocation bases, or
 - (e) An unallowable activity and a direct or indirect cost activity.
- (5) Personnel activity reports or equivalent documentation must meet the following standards:
- (a) They must reflect an after-the-fact distribution of the actual activity of each employee,
 - (b) They must account for the total activity for which each employee is compensated,
 - (c) They must be prepared at least monthly and must coincide with one or more pay periods, and
 - (d) They must be signed by the employee.
- (e) Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards but may be used for interim accounting purposes, provided that:
- (i) The governmental unit's system for establishing the estimates produces reasonable approximations of the activity actually performed;
 - (ii) At least quarterly, comparisons of actual costs to budgeted distributions based on the monthly activity reports are made. Costs charged to Federal awards to reflect adjustments made as a result of the activity actually performed may be recorded annually if the quarterly comparisons show the differences between budgeted and actual costs are less than ten percent; and
 - (iii) The budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances.
- (6) Substitute systems for allocating salaries and wages to Federal awards may be used in place of activity reports. These systems are subject to approval if required by the cognizant agency. Such systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort.
- (a) Substitute systems which use sampling methods (primarily for Temporary Assistance to Needy Families (TANF), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:
 - (i) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in subsection (c);

- (ii) The entire time period involved must be covered by the sample; and
 - (iii) The results must be statistically valid and applied to the period being sampled.
- (b) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.
- (c) Less than full compliance with the statistical sampling standards noted in subsection (a) may be accepted by the cognizant agency if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the governmental unit will result in lower costs to Federal awards than a system which complies with the standards.
- (7) Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

i. Donated services.

- (1) Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the provisions of the Common Rule.
- (2) The value of donated services utilized in the performance of a direct cost activity shall, when material in amount, be considered in the determination of the governmental unit's indirect costs or rate(s) and, accordingly, shall be allocated a proportionate share of applicable indirect costs.
- (3) To the extent feasible, donated services will be supported by the same methods used by the governmental unit to support the allocability of regular personnel services.

9. Contingency provisions. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening, are unallowable. The term "contingency reserve" excludes self-insurance reserves (see Attachment B, section 22.c.), pension plan reserves (see Attachment B, section 8.e.), and post-retirement health and other benefit reserves (see Attachment B, section 8.f.) computed using acceptable actuarial cost methods.

10. Defense and prosecution of criminal and civil proceedings, and claims.

a. The following costs are unallowable for contracts covered by 10 U.S.C. 2324(k), "Allowable costs under defense contracts."

- (1) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of false certification brought by the United States where the contractor is found liable or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing

of a false certification).

(2) Costs incurred by a contractor in connection with any criminal, civil or administrative proceedings commenced by the United States or a State to the extent provided in 10 U.S.C. 2324(k).

b. Legal expenses required in the administration of Federal programs are allowable. Legal expenses for prosecution of claims against the Federal Government are unallowable.

11. Depreciation and use allowances.

a. Depreciation and use allowances are means of allocating the cost of fixed assets to periods benefiting from asset use. Compensation for the use of fixed assets on hand may be made through depreciation or use allowances. A combination of the two methods may not be used in connection with a single class of fixed assets (e.g., buildings, office equipment, computer equipment, etc.) except as provided for in subsection g. Except for enterprise funds and internal service funds that are included as part of a State/local cost allocation plan, classes of assets shall be determined on the same basis used for the government-wide financial statements.

b. The computation of depreciation or use allowances shall be based on the acquisition cost of the assets involved. Where actual cost records have not been maintained, a reasonable estimate of the original acquisition cost may be used. The value of an asset donated to the governmental unit by an unrelated third party shall be its fair market value at the time of donation. Governmental or quasi-governmental organizations located within the same State shall not be considered unrelated third parties for this purpose.

c. The computation of depreciation or use allowances will exclude:

- (1) The cost of land;
- (2) Any portion of the cost of buildings and equipment borne by or donated by the Federal Government irrespective of where title was originally vested or where it presently resides; and
- (3) Any portion of the cost of buildings and equipment contributed by or for the governmental unit, or a related donor organization, in satisfaction of a matching requirement.

d. Where the depreciation method is followed, the period of useful service (useful life) established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment used, historical usage patterns, technological developments, and the renewal and replacement policies of the governmental unit followed for the individual items or classes of assets involved. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight line method of depreciation shall be used.

Depreciation methods once used shall not be changed unless approved by the Federal cognizant or awarding agency. When the depreciation method is introduced for application to an asset

previously subject to a use allowance, the annual depreciation charge thereon may not exceed the amount that would have resulted had the depreciation method been in effect from the date of acquisition of the asset. The combination of use allowances and depreciation applicable to the asset shall not exceed the total acquisition cost of the asset or fair market value at time of donation.

e. When the depreciation method is used for buildings, a building's shell may be segregated from the major component of the building (e.g., plumbing system, heating, and air conditioning system, etc.) and each major component depreciated over its estimated useful life, or the entire building (i.e., the shell and all components) may be treated as a single asset and depreciated over a single useful life.

f. Where the use allowance method is followed, the use allowance for buildings and improvements (including land improvements, such as paved parking areas, fences, and sidewalks) will be computed at an annual rate not exceeding two percent of acquisition costs. The use allowance for equipment will be computed at an annual rate not exceeding $6\frac{2}{3}$ percent of acquisition cost. When the use allowance method is used for buildings, the entire building must be treated as a single asset; the building's components (e.g., plumbing system, heating and air condition, etc.) cannot be segregated from the building's shell.

The two percent limitation, however, need not be applied to equipment which is merely attached or fastened to the building but not permanently fixed to it and which is used as furnishings or decorations or for specialized purposes (e.g., dentist chairs and dental treatment units, counters, laboratory benches bolted to the floor, dishwashers, modular furniture, carpeting, etc.). Such equipment will be considered as not being permanently fixed to the building if it can be removed without the destruction of, or need for costly or extensive alterations or repairs, to the building or the equipment. Equipment that meets these criteria will be subject to the $6\frac{2}{3}$ percent equipment use allowance limitation.

g. A reasonable use allowance may be negotiated for any assets that are considered to be fully depreciated, after taking into consideration the amount of depreciation previously charged to the government, the estimated useful life remaining at the time of negotiation, the effect of any increased maintenance charges, decreased efficiency due to age, and any other factors pertinent to the utilization of the asset for the purpose contemplated.

h. Charges for use allowances or depreciation must be supported by adequate property records. Physical inventories must be taken at least once every two years (a statistical sampling approach is acceptable) to ensure that assets exist, and are in use. Governmental units will manage equipment in accordance with State laws and procedures. When the depreciation method is followed, depreciation records indicating the amount of depreciation taken each period must also be maintained.

12. Donations and contributions.

a. Contributions or donations rendered. Contributions or donations, including cash, property, and services, made by the governmental unit, regardless of the recipient, are unallowable.

b. Donated services received:

(1) Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements in accordance with the Federal Grants Management Common Rule.

(2) The value of donated services utilized in the performance of a direct cost activity shall, when material in amount, be considered in the determination of the governmental unit's indirect costs or rate(s) and, accordingly, shall be allocated a proportionate share of applicable indirect costs.

(3) To the extent feasible, donated services will be supported by the same methods used by the governmental unit to support the allocability of regular personnel services.

13. Employee morale, health, and welfare costs.

a. The costs of employee information publications, health or first-aid clinics and/or infirmaries, recreational activities, employee counseling services, and any other expenses incurred in accordance with the governmental unit's established practice or custom for the improvement of working conditions, employer-employee relations, employee morale, and employee performance are allowable.

b. Such costs will be equitably apportioned to all activities of the governmental unit. Income generated from any of these activities will be offset against expenses.

14. Entertainment. Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.

15. Equipment and other capital expenditures.

a. For purposes of this subsection 15, the following definitions apply:

(1) "Capital Expenditures" means expenditures for the acquisition cost of capital assets (equipment, buildings, land), or expenditures to make improvements to capital assets that materially increase their value or useful life. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in, or excluded from the acquisition cost in accordance with the governmental

unit's regular accounting practices.

(2) "Equipment" means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or \$5000.

(3) "Special purpose equipment" means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.

(4) "General purpose equipment" means equipment, which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.

b. The following rules of allowability shall apply to equipment and other capital expenditures:

(1) Capital expenditures for general purpose equipment, buildings, and land are unallowable as direct charges, except where approved in advance by the awarding agency.

(2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5000 or more have the prior approval of the awarding agency.

(3) Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior approval of the awarding agency.

(4) When approved as a direct charge pursuant to Attachment B, section 15.b (1), (2), and (3) above, capital expenditures will be charged in the period in which the expenditure is incurred, or as otherwise determined appropriate and negotiated with the awarding agency. In addition, Federal awarding agencies are authorized at their option to waive or delegate the prior approval requirement.

(5) Equipment and other capital expenditures are unallowable as indirect costs. However, see section 11, Depreciation and use allowance, for rules on the allowability of use allowances or depreciation on buildings, capital improvements, and equipment. Also, see section 37, Rental costs, concerning the allowability of rental costs for land, buildings, and equipment.

(6) The unamortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by continuing to claim the otherwise allowable use allowances or depreciation on the equipment, or by amortizing the amount to be written off over a period of years negotiated with the cognizant agency.

(7) When replacing equipment purchased in whole or in part with Federal funds, the governmental unit may use the equipment to be replaced as a trade-in or sell the property and use

the proceeds to offset the cost of the replacement property.

16. Fines and penalties. Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, Federal, State, local, or Indian tribal laws and regulations are unallowable except when incurred as a result of compliance with specific provisions of the Federal award or written instructions by the awarding agency authorizing in advance such payments.

17. Fund raising and investment management costs.

a. Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable, regardless of the purpose for which the funds will be used.

b. Costs of investment counsel and staff and similar expenses incurred to enhance income from investments are unallowable. However, such costs associated with investments covering pension, self-insurance, or other funds which include Federal participation allowed by this Circular are allowable.

c. Fund raising and investment activities shall be allocated an appropriate share of indirect costs under the conditions described in subsection C.3.b. of Attachment A.

18. Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs.

a. (1) Gains and losses on the sale, retirement, or other disposition of depreciable property shall be included in the year in which they occur as credits or charges to the asset cost grouping(s) in which the property was included. The amount of the gain or loss to be included as a credit or charge to the appropriate asset cost grouping(s) shall be the difference between the amount realized on the property and the undepreciated basis of the property.

(2) Gains and losses on the disposition of depreciable property shall not be recognized as a separate credit or charge under the following conditions:

(a) The gain or loss is processed through a depreciation account and is reflected in the depreciation allowable under sections 11 and 15.

(b) The property is given in exchange as part of the purchase price of a similar item and the gain or loss is taken into account in determining the depreciation cost basis of the new item.

(c) A loss results from the failure to maintain permissible insurance, except as otherwise provided in subsection 22.d.

(d) Compensation for the use of the property was provided through use allowances in lieu of depreciation.

b. Substantial relocation of Federal awards from a facility where the Federal Government

participated in the financing to another facility prior to the expiration of the useful life of the financed facility requires Federal agency approval. The extent of the relocation, the amount of the Federal participation in the financing, and the depreciation charged to date may require negotiation of space charges for Federal awards.

c. Gains or losses of any nature arising from the sale or exchange of property other than the property covered in subsection a., e.g., land or included in the fair market value used in any adjustment resulting from a relocation of Federal awards covered in subsection b. shall be excluded in computing Federal award costs.

19. General government expenses.

a. The general costs of government are unallowable (except as provided in Attachment B, section 43, Travel costs). These include:

(1) Salaries and expenses of the Office of the Governor of a State or the chief executive of a political subdivision or the chief executive of federally-recognized Indian tribal government;

(2) Salaries and other expenses of a State legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;

(3) Costs of the judiciary branch of a government;

(4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by program statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General); and

(5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.

b. For federally-recognized Indian tribal governments and Councils Of Governments (COGs), the portion of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his staff is allowable

20. Goods or services for personal use. Costs of goods or services for personal use of the governmental unit's employees are unallowable regardless of whether the cost is reported as taxable income to the employees.

21. Idle facilities and idle capacity.

a. As used in this section the following terms have the meanings set forth below:

(1) "Facilities" means land and buildings or any portion thereof, equipment individually or collectively, or any other tangible capital asset, wherever located, and whether owned or leased by the governmental unit.

(2) "Idle facilities" means completely unused facilities that are excess to the governmental unit's current needs.

(3) "Idle capacity" means the unused capacity of partially used facilities. It is the difference between: (a) that which a facility could achieve under 100 percent operating time on a one-shift basis less operating interruptions resulting from time lost for repairs, setups, unsatisfactory materials, and other normal delays; and (b) the extent to which the facility was actually used to meet demands during the accounting period. A multi-shift basis should be used if it can be shown that this amount of usage would normally be expected for the type of facility involved.

(4) "Cost of idle facilities or idle capacity" means costs such as maintenance, repair, housing, rent, and other related costs, e.g., insurance, interest, property taxes and depreciation or use allowances.

b. The costs of idle facilities are unallowable except to the extent that:

(1) They are necessary to meet fluctuations in workload; or

(2) Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of changes in program requirements, efforts to achieve more economical operations, reorganization, termination, or other causes which could not have been reasonably foreseen. Under the exception stated in this subsection, costs of idle facilities are allowable for a reasonable period of time, ordinarily not to exceed one year, depending on the initiative taken to use, lease, or dispose of such facilities.

c. The costs of idle capacity are normal costs of doing business and are a factor in the normal fluctuations of usage or indirect cost rates from period to period. Such costs are allowable, provided that the capacity is reasonably anticipated to be necessary or was originally reasonable and is not subject to reduction or elimination by use on other Federal awards, subletting, renting, or sale, in accordance with sound business, economic, or security practices. Widespread idle capacity throughout an entire facility or among a group of assets having substantially the same function may be considered idle facilities.

22. Insurance and indemnification.

a. Costs of insurance required or approved and maintained, pursuant to the Federal award, are allowable.

b. Costs of other insurance in connection with the general conduct of activities are allowable subject to the following limitations:

(1) Types and extent and cost of coverage are in accordance with the governmental unit's policy and sound business practice.

(2) Costs of insurance or of contributions to any reserve covering the risk of loss of, or damage

to, Federal Government property are unallowable except to the extent that the awarding agency has specifically required or approved such costs.

c. Actual losses which could have been covered by permissible insurance (through a self-insurance program or otherwise) are unallowable, unless expressly provided for in the Federal award or as described below. However, the Federal Government will participate in actual losses of a self insurance fund that are in excess of reserves. Costs incurred because of losses not covered under nominal deductible insurance coverage provided in keeping with sound management practice, and minor losses not covered by insurance, such as spoilage, breakage, and disappearance of small hand tools, which occur in the ordinary course of operations, are allowable.

d. Contributions to a reserve for certain self-insurance programs including workers compensation, unemployment compensation, and severance pay are allowable subject to the following provisions:

(1) The type of coverage and the extent of coverage and the rates and premiums would have been allowed had insurance (including reinsurance) been purchased to cover the risks. However, provision for known or reasonably estimated self-insured liabilities, which do not become payable for more than one year after the provision is made, shall not exceed the discounted present value of the liability. The rate used for discounting the liability must be determined by giving consideration to such factors as the governmental unit's settlement rate for those liabilities and its investment rate of return.

(2) Earnings or investment income on reserves must be credited to those reserves.

(3) Contributions to reserves must be based on sound actuarial principles using historical experience and reasonable assumptions. Reserve levels must be analyzed and updated at least biennially for each major risk being insured and take into account any reinsurance, coinsurance, etc. Reserve levels related to employee-related coverages will normally be limited to the value of claims (a) submitted and adjudicated but not paid, (b) submitted but not adjudicated, and (c) incurred but not submitted. Reserve levels in excess of the amounts based on the above must be identified and justified in the cost allocation plan or indirect cost rate proposal.

(4) Accounting records, actuarial studies, and cost allocations (or billings) must recognize any significant differences due to types of insured risk and losses generated by the various insured activities or agencies of the governmental unit. If individual departments or agencies of the governmental unit experience significantly different levels of claims for a particular risk, those differences are to be recognized by the use of separate allocations or other techniques resulting in an equitable allocation.

(5) Whenever funds are transferred from a self-insurance reserve to other accounts (e.g., general fund), refunds shall be made to the Federal Government for its share of funds transferred, including earned or imputed interest from the date of transfer.

e. Actual claims paid to or on behalf of employees or former employees for workers'

compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., subsection 8.f. for post retirement health benefits), are allowable in the year of payment provided (1) the governmental unit follows a consistent costing policy and (2) they are allocated as a general administrative expense to all activities of the governmental unit.

f. Insurance refunds shall be credited against insurance costs in the year the refund is received.

g. Indemnification includes securing the governmental unit against liabilities to third persons and other losses not compensated by insurance or otherwise. The Federal Government is obligated to indemnify the governmental unit only to the extent expressly provided for in the Federal award, except as provided in subsection d.

h. Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship are unallowable.

23. Interest.

a. Costs incurred for interest on borrowed capital or the use of a governmental unit's own funds, however represented, are unallowable except as specifically provided in subsection b. or authorized by Federal legislation.

b. Financing costs (including interest) paid or incurred which are associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980 is allowable subject to the conditions in (1) through (4) of this section 23.b. Financing costs (including interest) paid or incurred on or after September 1, 1995 for land or associated with otherwise allowable costs of equipment is allowable, subject to the conditions in (1) through (4).

- (1) The financing is provided (from other than tax or user fee sources) by a bona fide third party external to the governmental unit;
- (2) The assets are used in support of Federal awards;
- (3) Earnings on debt service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.
- (4) For debt arrangements over \$1 million, unless the governmental unit makes an initial equity contribution to the asset purchase of 25 percent or more, the governmental unit shall reduce claims for interest cost by an amount equal to imputed interest earnings on excess cash flow, which is to be calculated as follows. Annually, non-Federal entities shall prepare a cumulative (from the inception of the project) report of monthly cash flows that includes inflows and outflows, regardless of the funding source. Inflows consist of depreciation expense, amortization of capitalized construction interest, and annual interest cost. For cash flow calculations, the annual inflow figures shall be divided by the number of months in the year

(i.e., usually 12) that the building is in service for monthly amounts. Outflows consist of initial equity contributions, debt principal payments (less the pro rata share attributable to the unallowable costs of land) and interest payments. Where cumulative inflows exceed cumulative outflows, interest shall be calculated on the excess inflows for that period and be treated as a reduction to allowable interest cost. The rate of interest to be used to compute earnings on excess cash flows shall be the three-month Treasury bill closing rate as of the last business day of that month.

(5) Interest attributable to fully depreciated assets is unallowable.

24. Lobbying.

a. General. The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Lobbying with respect to certain grants, contracts, cooperative agreements, and loans shall be governed by the common rule, "New Restrictions on Lobbying" published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget "Government-wide Guidance for New Restrictions on Lobbying" and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), and 57 FR 1772 (January 15, 1992), respectively.

b. Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the Executive Branch of the Federal Government to give consideration or to act regarding a sponsored agreement or a regulatory matter are unallowable. Improper influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a federally-sponsored agreement or regulatory matter on any basis other than the merits of the matter.

25. Maintenance, operations, and repairs. Unless prohibited by law, the cost of utilities, insurance, security, janitorial services, elevator service, upkeep of grounds, necessary maintenance, normal repairs and alterations, and the like are allowable to the extent that they: (1) keep property (including Federal property, unless otherwise provided for) in an efficient operating condition, (2) do not add to the permanent value of property or appreciably prolong its intended life, and (3) are not otherwise included in rental or other charges for space. Costs which add to the permanent value of property or appreciably prolong its intended life shall be treated as capital expenditures (see sections 11 and 15).

26. Materials and supplies costs.

a. Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable.

b. Purchased materials and supplies shall be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs.

c. Only materials and supplies actually used for the performance of a Federal award may be charged as direct costs.

d. Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

27. Meetings and conferences. Costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable. This includes costs of meals, transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. But see Attachment B, section 14, Entertainment costs.

28. Memberships, subscriptions, and professional activity costs.

a. Costs of the governmental unit's memberships in business, technical, and professional organizations are allowable.

b. Costs of the governmental unit's subscriptions to business, professional, and technical periodicals are allowable.

c. Costs of membership in civic and community, social organizations are allowable as a direct cost with the approval of the Federal awarding agency.

d. Costs of membership in organizations substantially engaged in lobbying are unallowable.

29. Patent costs.

a. The following costs relating to patent and copyright matters are allowable: (i) cost of preparing disclosures, reports, and other documents required by the Federal award and of searching the art to the extent necessary to make such disclosures; (ii) cost of preparing documents and any other patent costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is required by the Federal Government to be conveyed to the Federal Government; and (iii) general counseling services relating to patent and copyright matters, such as advice on patent and copyright laws, regulations, clauses, and employee agreements (but see Attachment B, sections 32, Professional service costs, and 38, Royalties and other costs for use of patents and copyrights).

b. The following costs related to patent and copyright matter are unallowable:

(i) Cost of preparing disclosures, reports, and other documents and of searching the art to the extent necessary to make disclosures not required by the award

(ii) Costs in connection with filing and prosecuting any foreign patent application, or (ii) any United States patent application, where the Federal award does not require conveying title or a royalty-free license to the Federal Government (but see Attachment B, section 38., Royalties and other costs for use of patents and copyrights).

30. Plant and homeland security costs. Necessary and reasonable expenses incurred for routine and homeland security to protect facilities, personnel, and work products are allowable. Such costs include, but are not limited to, wages and uniforms of personnel engaged in security activities; equipment; barriers; contractual security services; consultants; etc. Capital expenditures for homeland and plant security purposes are subject to section 15., Equipment and other capital expenditures, of this Circular.

31. Pre-award costs. Pre-award costs are those incurred prior to the effective date of the award directly pursuant to the negotiation and in anticipation of the award where such costs are necessary to comply with the proposed delivery schedule or period of performance. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of the awarding agency.

32. Professional service costs.

a. Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the governmental unit, are allowable, subject to subparagraphs b and c when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government.

In addition, legal and related services are limited under Attachment B, section 10.

b. In determining the allowability of costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors are relevant:

- (1) The nature and scope of the service rendered in relation to the service required.
- (2) The necessity of contracting for the service, considering the governmental unit's capability in the particular area.
- (3) The past pattern of such costs, particularly in the years prior to Federal awards.
- (4) The impact of Federal awards on the governmental unit's business (i.e., what new problems have arisen).
- (5) Whether the proportion of Federal work to the governmental unit's total business is such as to influence the governmental unit in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal grants and contracts.
- (6) Whether the service can be performed more economically by direct employment rather than contracting.
- (7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-Federal awards.

(8) Adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

c. In addition to the factors in subparagraph b, retainer fees to be allowable must be supported by available or rendered evidence of bona fide services available or rendered.

33. Proposal costs. Costs of preparing proposals for potential Federal awards are allowable. Proposal costs should normally be treated as indirect costs and should be allocated to all activities of the governmental unit utilizing the cost allocation plan and indirect cost rate proposal. However, proposal costs may be charged directly to Federal awards with the prior approval of the Federal awarding agency.

34. Publication and printing costs.

a. Publication costs include the costs of printing (including the processes of composition, plate-making, press work, binding, and the end products produced by such processes), distribution, promotion, mailing, and general handling. Publication costs also include page charges in professional publications.

b. If these costs are not identifiable with a particular cost objective, they should be allocated as indirect costs to all benefiting activities of the governmental unit.

c. Page charges for professional journal publications are allowable as a necessary part of research costs where:

(1) The research papers report work supported by the Federal Government: and

(2) The charges are levied impartially on all research papers published by the journal, whether or not by federally-sponsored authors

35. Rearrangement and alteration costs. Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable. Special arrangements and alterations costs incurred specifically for a Federal award are allowable with the prior approval of the Federal awarding agency.

36. Reconversion costs. Costs incurred in the restoration or rehabilitation of the governmental unit's facilities to approximately the same condition existing immediately prior to commencement of Federal awards, less costs related to normal wear and tear, are allowable.

37. Rental costs of buildings and equipment.

a. Subject to the limitations described in subsections b. through d. of this section, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and, the type, life expectancy, condition, and value of the property leased. Rental arrangements should be

reviewed periodically to determine if circumstances have changed and other options are available.

b. Rental costs under "sale and lease back" arrangements are allowable only up to the amount that would be allowed had the governmental unit continued to own the property. This amount would include expenses such as depreciation or use allowance, maintenance, taxes, and insurance.

c. Rental costs under "less-than-arms-length" leases are allowable only up to the amount (as explained in Attachment B, section 37.b) that would be allowed had title to the property vested in the governmental unit. For this purpose, a less-than-arms-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between (i) divisions of a governmental unit; (ii) governmental units under common control through common officers, directors, or members; and (iii) a governmental unit and a director, trustee, officer, or key employee of the governmental unit or his immediate family, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, a governmental unit may establish a separate corporation for the sole purpose of owning property and leasing it back to the governmental unit.

d. Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in subsection b) that would be allowed had the governmental unit purchased the property on the date the lease agreement was executed. The provisions of Financial Accounting Standards Board Statement 13, Accounting for Leases, shall be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in Attachment B, section 23. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the governmental unit purchased the facility.

38. Royalties and other costs for the use of patents.

a. Royalties on a patent or copyright or amortization of the cost of acquiring by purchase a copyright, patent, or rights thereto, necessary for the proper performance of the award are allowable unless:

- (1) The Federal Government has a license or the right to free use of the patent or copyright.
- (2) The patent or copyright has been adjudicated to be invalid, or has been administratively determined to be invalid.
- (3) The patent or copyright is considered to be unenforceable.
- (4) The patent or copyright is expired.

b. Special care should be exercised in determining reasonableness where the royalties may have

been arrived at as a result of less-than-arm's-length bargaining, e.g.:

- (1) Royalties paid to persons, including corporations, affiliated with the governmental unit.
- (2) Royalties paid to unaffiliated parties, including corporations, under an agreement entered into in contemplation that a Federal award would be made.
- (3) Royalties paid under an agreement entered into after an award is made to a governmental unit.

c. In any case involving a patent or copyright formerly owned by the governmental unit, the amount of royalty allowed should not exceed the cost which would have been allowed had the governmental unit retained title thereto.

39. Selling and marketing. Costs of selling and marketing any products or services of the governmental unit are unallowable (unless allowed under Attachment B, section 1. as allowable public relations costs or under Attachment B, section 33. as allowable proposal costs.

40. Taxes.

a. Taxes that a governmental unit is legally required to pay are allowable, except for self-assessed taxes that disproportionately affect Federal programs or changes in tax policies that disproportionately affect Federal programs. This provision becomes effective for taxes paid during the governmental unit's first fiscal year that begins on or after January 1, 1998, and applies thereafter.

b. Gasoline taxes, motor vehicle fees, and other taxes that are in effect user fees for benefits provided to the Federal Government are allowable.

c. This provision does not restrict the authority of Federal agencies to identify taxes where Federal participation is inappropriate. Where the identification of the amount of unallowable taxes would require an inordinate amount of effort, the cognizant agency may accept a reasonable approximation thereof.

41. Termination costs applicable to sponsored agreements. Termination of awards generally gives rise to the incurrence of costs, or the need for special treatment of costs, which would not have arisen had the Federal award not been terminated. Cost principles covering these items are set forth below. They are to be used in conjunction with the other provisions of this Circular in termination situations.

a. The cost of items reasonably usable on the governmental unit's other work shall not be allowable unless the governmental unit submits evidence that it would not retain such items at cost without sustaining a loss. In deciding whether such items are reasonably usable on other work of the governmental unit, the awarding agency should consider the governmental unit's plans and orders for current and scheduled activity.

Contemporaneous purchases of common items by the governmental unit shall be regarded as evidence that such items are reasonably usable on the governmental unit's other work. Any acceptance of common items as allocable to the terminated portion of the Federal award shall be limited to the extent that the quantities of such items on hand, in transit, and on order are in excess of the reasonable quantitative requirements of other work.

b. If in a particular case, despite all reasonable efforts by the governmental unit, certain costs cannot be discontinued immediately after the effective date of termination, such costs are generally allowable within the limitations set forth in this Circular, except that any such costs continuing after termination due to the negligent or willful failure of the governmental unit to discontinue such costs shall be unallowable.

c. Loss of useful value of special tooling, machinery, and equipment is generally allowable if:

(1) Such special tooling, special machinery, or equipment is not reasonably capable of use in the other work of the governmental unit,

(2) The interest of the Federal Government is protected by transfer of title or by other means deemed appropriate by the awarding agency, and

(3) The loss of useful value for any one terminated Federal award is limited to that portion of the acquisition cost which bears the same ratio to the total acquisition cost as the terminated portion of the Federal award bears to the entire terminated Federal award and other Federal awards for which the special tooling, machinery, or equipment was acquired.

d. Rental costs under unexpired leases are generally allowable where clearly shown to have been reasonably necessary for the performance of the terminated Federal award less the residual value of such leases, if:

(1) the amount of such rental claimed does not exceed the reasonable use value of the property leased for the period of the Federal award and such further period as may be reasonable, and

(2) the governmental unit makes all reasonable efforts to terminate, assign, settle, or otherwise reduce the cost of such lease. There also may be included the cost of alterations of such leased property, provided such alterations were necessary for the performance of the Federal award, and of reasonable restoration required by the provisions of the lease.

e. Settlement expenses including the following are generally allowable:

(1) Accounting, legal, clerical, and similar costs reasonably necessary for:

(a) The preparation and presentation to the awarding agency of settlement claims and supporting data with respect to the terminated portion of the Federal award, unless the termination is for default (see Subpart __.44 of the Grants Management Common Rule implementing OMB Circular A-102); and

(b) The termination and settlement of subawards.

(2) Reasonable costs for the storage, transportation, protection, and disposition of property provided by the Federal Government or acquired or produced for the Federal award, except when grantees or contractors are reimbursed for disposals at a predetermined amount in accordance with Subparts __.31 and __.32 of the Grants Management Common Rule implementing OMB Circular A-102.

f. Claims under subawards, including the allocable portion of claims which are common to the Federal award, and to other work of the governmental unit are generally allowable.

An appropriate share of the governmental unit's indirect expense may be allocated to the amount of settlements with subcontractors and/or subgrantees, provided that the amount allocated is otherwise consistent with the basic guidelines contained in Attachment A. The indirect expense so allocated shall exclude the same and similar costs claimed directly or indirectly as settlement expenses.

42. Training costs. The cost of training provided for employee development is allowable.

43. Travel costs.

a. General. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the governmental unit. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the governmental unit's non-federally-sponsored activities. Notwithstanding the provisions of Attachment B, section 19, General government expenses, travel costs of officials covered by that section are allowable with the prior approval of an awarding agency when they are specifically related to Federal awards.

b. Lodging and subsistence. Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the governmental unit in its regular operations as the result of the governmental unit's written travel policy. In the absence of an acceptable, written governmental unit policy regarding travel costs, the rates and amounts established under subchapter I of Chapter 57, Title 5, United States Code ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter shall apply to travel under Federal awards (48 CFR 31.205-46(a)).

c. Commercial air travel.

(1) Airfare costs in excess of the customary standard commercial airfare (coach or equivalent), Federal Government contract airfare (where authorized and available), or the lowest commercial discount airfare are unallowable except when such accommodations would:

- (a) require circuitous routing;
- (b) require travel during unreasonable hours;
- (c) excessively prolong travel;
- (d) result in additional costs that would offset the transportation savings; or
- (e) offer accommodations not reasonably adequate for the traveler's medical needs. The governmental unit must justify and document these conditions on a case-by-case basis in order for the use of first-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal Government will generally not question a governmental unit's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the governmental unit can demonstrate either of the following: (a) that such airfare was not available in the specific case; or (b) that it is the governmental unit's overall practice to make routine use of such airfare.

d. Air travel by other than commercial carrier. Costs of travel by governmental unit-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of allowable commercial air travel, as provided for in subsection c., is unallowable.

e. Foreign travel. Direct charges for foreign travel costs are allowable only when the travel has received prior approval of the awarding agency. Each separate foreign trip must receive such approval. For purposes of this provision, "foreign travel" includes any travel outside Canada, Mexico, the United States, and any United States territories and possessions. However, the term "foreign travel" for a governmental unit located in a foreign country means travel outside that country.

ATTACHMENT C

Circular No. A-87

STATE/LOCAL-WIDE CENTRAL SERVICE COST ALLOCATION PLANS

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- A. General.

1. Most governmental units provide certain services, such as motor pools, computer centers, purchasing, accounting, etc., to operating agencies on a centralized basis. Since federally-supported awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process. All costs and other data used to distribute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to Federal awards.

2. Guidelines and illustrations of central service cost allocation plans are provided in a brochure published by the Department of Health and Human Services entitled "A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government." A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office.

B. Definitions.

1. "Billed central services" means central services that are billed to benefitted agencies and/or programs on an individual fee-for-service or similar basis. Typical examples of billed central services include computer services, transportation services, insurance, and fringe benefits.

2. "Allocated central services" means central services that benefit operating agencies but are not billed to the agencies on a fee-for-service or similar basis. These costs are allocated to benefitted agencies on some reasonable basis. Examples of such services might include general accounting, personnel administration, purchasing, etc.

3. "Agency or operating agency" means an organizational unit or sub-division within a governmental unit that is responsible for the performance or administration of awards or activities of the governmental unit.

C. Scope of the Central Service Cost Allocation Plans. The central service cost allocation plan will include all central service costs that will be claimed (either as a billed or an allocated cost) under Federal awards and will be documented as described in section E. Costs of central services omitted from the plan will not be reimbursed.

D. Submission Requirements.

1. Each State will submit a plan to the Department of Health and Human Services for each year in which it claims central service costs under Federal awards. The plan should include (a) a projection of the next year's allocated central service cost (based either on actual costs for the most recently completed year or the budget projection for the coming year), and (b) a reconciliation of actual allocated central service costs to the estimated costs used for either the most recently completed year or the year immediately preceding the most recently completed year.

2. Each local government that has been designated as a "major local government" by the Office of Management and Budget (OMB) is also required to submit a plan to its cognizant agency annually. OMB periodically lists major local governments in the Federal Register.

3. All other local governments claiming central service costs must develop a plan in accordance with the requirements described in this Circular and maintain the plan and related supporting documentation for audit. These local governments are not required to submit their plans for Federal approval unless they are specifically requested to do so by the cognizant agency. Where a local government only receives funds as a sub-recipient, the primary recipient will be responsible for negotiating indirect cost rates and/or monitoring the sub-recipient's plan.

4. All central service cost allocation plans will be prepared and, when required, submitted within six months prior to the beginning of each of the governmental unit's fiscal years in which it proposes to claim central service costs. Extensions may be granted by the cognizant agency on a case-by-case basis.

E. Documentation Requirements for Submitted Plans. The documentation requirements described in this section may be modified, expanded, or reduced by the cognizant agency on a case-by-case basis. For example, the requirements may be reduced for those central services which have little or no impact on Federal awards. Conversely, if a review of a plan indicates that certain additional information is needed, and will likely be needed in future years, it may be routinely requested in future plan submissions. Items marked with an asterisk (*) should be submitted only once; subsequent plans should merely indicate any changes since the last plan.

1. General. All proposed plans must be accompanied by the following: an organization chart sufficiently detailed to show operations including the central service activities of the State/local government whether or not they are shown as benefiting from central service functions; a copy of the Comprehensive Annual Financial Report (or a copy of the Executive Budget if budgeted costs are being proposed) to support the allowable costs of each central service activity included in the plan; and, a certification (see subsection 4.) that the plan was prepared in accordance with this Circular, contains only allowable costs, and was prepared in a manner that treated similar costs consistently among the various Federal awards and between Federal and non-Federal awards/activities.

2. Allocated central services. For each allocated central service, the plan must also include the following: a brief description of the service*, an identification of the unit rendering the service and the operating agencies receiving the service, the items of expense included in the cost of the service, the method used to distribute the cost of the service to benefitted agencies, and a summary schedule showing the allocation of each service to the specific benefitted

agencies. If any self-insurance funds or fringe benefits costs are treated as allocated (rather than billed) central services, documentation discussed in subsections 3.b. and c. shall also be included.

3. Billed services.

a. General. The information described below shall be provided for all billed central services, including internal service funds, self-insurance funds, and fringe benefit funds.

b. Internal service funds.

(1) For each internal service fund or similar activity with an operating budget of \$5 million or more, the plan shall include: a brief description of each service; a balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system; a revenue/expenses statement, with revenues broken out by source, e.g., regular billings, interest earned, etc.; a listing of all non-operating transfers (as defined by Generally Accepted Accounting Principles (GAAP)) into and out of the fund; a description of the procedures (methodology) used to charge the costs of each service to users, including how billing rates are determined; a schedule of current rates; and, a schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service, as determined under this Circular, with an explanation of how variances will be handled.

(2) Revenues shall consist of all revenues generated by the service, including unbilled and uncollected revenues. If some users were not billed for the services (or were not billed at the full rate for that class of users), a schedule showing the full imputed revenues associated with these users shall be provided. Expenses shall be broken out by object cost categories (e.g., salaries, supplies, etc.).

c. Self-insurance funds. For each self-insurance fund, the plan shall include: the fund balance sheet; a statement of revenue and expenses including a summary of billings and claims paid by agency; a listing of all non-operating transfers into and out of the fund; the type(s) of risk(s) covered by the fund (e.g., automobile liability, workers' compensation, etc.); an explanation of how the level of fund contributions are determined, including a copy of the current actuarial report (with the actuarial assumptions used) if the contributions are determined on an actuarial basis; and, a description of the procedures used to charge or allocate fund contributions to benefitted activities. Reserve levels in excess of claims (1) submitted and adjudicated but not paid, (2) submitted but not adjudicated, and (3) incurred but not submitted must be identified and explained.

d. Fringe benefits. For fringe benefit costs, the plan shall include: a listing of fringe benefits provided to covered employees, and the overall annual cost of each type of benefit; current fringe benefit policies*; and procedures used to charge or allocate the costs of the benefits to benefitted activities. In addition, for pension and post-retirement health insurance plans, the following information shall be provided: the governmental unit's funding policies, e.g., legislative bills, trust agreements, or State-mandated contribution rules, if different from actuarially determined rates; the pension plan's costs accrued for the year; the amount funded, and date(s) of funding; a copy of the current actuarial report (including the actuarial assumptions); the plan trustee's report; and, a schedule from the activity showing the value of the interest cost associated with late funding.

4. Required certification. Each central service cost allocation plan will be accompanied by a certification in the following form:

CERTIFICATE OF COST ALLOCATION PLAN

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish cost allocations or billings for [identify period covered by plan] are allowable in accordance with the requirements of OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments," and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

F. Negotiation and Approval of Central Service Plans.

1. All proposed central service cost allocation plans that are required to be submitted will be reviewed, negotiated, and approved by the Federal cognizant agency on a timely basis. The cognizant agency will review the proposal within six months of receipt of the proposal and either negotiate/approve the proposal or advise the governmental unit of the additional documentation needed to support/evaluate the proposed plan or the changes required to make the proposal acceptable. Once an agreement with the governmental unit has been reached, the agreement will be accepted and used by all Federal agencies, unless prohibited or limited by statute. Where a Federal funding agency has reason to believe that special operating factors affecting its awards necessitate special consideration, the funding agency will, prior to the time the plans are negotiated, notify the cognizant agency.

2. The results of each negotiation shall be formalized in a written agreement between the cognizant agency and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The results of the negotiation shall be made available to all Federal agencies for their use.

3. Negotiated cost allocation plans based on a proposal later found to have included costs that: (a) are unallowable (i) as specified by law or regulation, (ii) as identified in Attachment B of this Circular, or (iii) by the terms and conditions of Federal awards, or (b) are unallowable because they are clearly not allocable to Federal awards, shall be adjusted, or a refund shall be made at the option of the Federal cognizant agency. These adjustments or refunds are designed to correct the plans and do not constitute a reopening of the negotiation.

G. Other Policies.

1. Billed central service activities. Each billed central service activity must separately account for all revenues (including imputed revenues) generated by the service, expenses incurred to furnish the service, and profit/loss.

2. Working capital reserves. Internal service funds are dependent upon a reasonable level of working capital reserve to operate from one billing cycle to the next. Charges by an internal service activity to provide for the establishment and maintenance of a reasonable level of working capital reserve, in addition to the full recovery of costs, are allowable. A working capital reserve as part of retained earnings of up to 60 days cash expenses for normal operating purposes is considered reasonable. A working capital reserve exceeding 60 days may be approved by the cognizant Federal agency in exceptional cases.

3. Carry-forward adjustments of allocated central service costs. Allocated central service costs are usually negotiated and approved for a future fiscal year on a "fixed with carry-forward" basis. Under this procedure, the fixed amounts for the future year covered by agreement are not subject to adjustment for that year. However, when the actual costs of the year involved become known, the differences between the fixed amounts previously approved and the actual costs will be carried forward and used as an adjustment to the fixed amounts established for a later year. This "carry-forward" procedure applies to all central services whose costs were fixed in the approved plan. However, a carry-forward adjustment is not permitted, for a central service activity that was not included in the approved plan, or for unallowable costs that must be reimbursed immediately.

4. Adjustments of billed central services. Billing rates used to charge Federal awards shall be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs. Adjustments to allocated central services will not be permitted where the total amount of the adjustment for a particular service (Federal share and non-Federal) share exceeds \$500,000.

5. Records retention. All central service cost allocation plans and related documentation used as a basis for claiming costs under Federal awards must be retained for audit in accordance with the

records retention requirements contained in the Common Rule.

6. Appeals. If a dispute arises in the negotiation of a plan between the cognizant agency and the governmental unit, the dispute shall be resolved in accordance with the appeals procedures of the cognizant agency.

7. OMB assistance. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

ATTACHMENT D

Circular No. A-87

PUBLIC ASSISTANCE COST ALLOCATION PLANS

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F. Unallowable Costs

A. General. Federally-financed programs administered by State public assistance agencies are funded predominately by the Department of Health and Human Services (HHS). In support of its stewardship requirements, HHS has published requirements for the development, documentation, submission, negotiation, and approval of public assistance cost allocation plans in Subpart E of 45 CFR Part 95. All administrative costs (direct and indirect) are normally charged to Federal awards by implementing the public assistance cost allocation plan. This Attachment extends these requirements to all Federal agencies whose programs are administered by a State public assistance agency. Major federally-financed programs typically administered by State public assistance agencies include: *Temporary Assistance to Needy Families (TANF)*, Medicaid, Food Stamps, Child Support Enforcement, Adoption Assistance and Foster Care, and Social Services Block Grant.

B. Definitions.

1. "State public assistance agency" means a State agency administering or supervising the administration of one or more public assistance programs operated by the State as identified in Subpart E of 45 CFR Part 95. For the purpose of this Attachment, these programs include all programs administered by the State public assistance agency.

2. "State public assistance agency costs" means all costs incurred by, or allocable to, the State public assistance agency, except expenditures for financial assistance, medical vendor

payments, food stamps, and payments for services and goods provided directly to program recipients.

C. Policy. State public assistance agencies will develop, document and implement, and the Federal Government will review, negotiate, and approve, public assistance cost allocation plans in accordance with Subpart E of 45 CFR Part 95. The plan will include all programs administered by the State public assistance agency. Where a letter of approval or disapproval is transmitted to a State public assistance agency in accordance with Subpart E, the letter will apply to all Federal agencies and programs. The remaining sections of this Attachment (except for the requirement for certification) summarize the provisions of Subpart E of 45 CFR Part 95.

D. Submission, Documentation, and Approval of Public Assistance Cost Allocation Plans.

1. State public assistance agencies are required to promptly submit amendments to the cost allocation plan to HHS for review and approval.

2. Under the coordination process outlined in subsection E, affected Federal agencies will review all new plans and plan amendments and provide comments, as appropriate, to HHS. The effective date of the plan or plan amendment will be the first day of the quarter following the submission of the plan or amendment, unless another date is specifically approved by HHS. HHS, as the cognizant agency acting on behalf of all affected Federal agencies, will, as necessary, conduct negotiations with the State public assistance agency and will inform the State agency of the action taken on the plan or plan amendment.

E. Review of Implementation of Approved Plans.

1. Since public assistance cost allocation plans are of a narrative nature, the review during the plan approval process consists of evaluating the appropriateness of the proposed groupings of costs (cost centers) and the related allocation bases. As such, the Federal Government needs some assurance that the cost allocation plan has been implemented as approved. This is accomplished by reviews by the funding agencies, single audits, or audits conducted by the cognizant audit agency.

2. Where inappropriate charges affecting more than one funding agency are identified, the cognizant HHS cost negotiation office will be advised and will take the lead in resolving the issue(s) as provided for in Subpart E of 45 CFR Part 95.

3. If a dispute arises in the negotiation of a plan or from a disallowance involving two or more

funding agencies, the dispute shall be resolved in accordance with the appeals procedures set out in 45 CFR Part 75. Disputes involving only one funding agency will be resolved in accordance with the funding agency's appeal process.

4. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, the Office of Management and Budget will lend assistance, as required, to resolve such problems in a timely manner.

F. Unallowable Costs. Claims developed under approved cost allocation plans will be based on allowable costs as identified in this Circular. Where unallowable costs have been claimed and reimbursed, they will be refunded to the program that reimbursed the unallowable cost using one of the following methods: (a) a cash refund, (b) offset to a subsequent claim, or (c) credits to the amounts charged to individual awards.

ATTACHMENT E

Circular No. A-87

STATE AND LOCAL INDIRECT COST RATE PROPOSALS

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1. Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefitted cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

2. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and (b) the costs of central governmental services distributed through the central service cost allocation plan (as described in Attachment C) and not otherwise treated as direct costs.

3. Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. A separate indirect cost rate(s) is usually necessary for each department or agency of the

governmental unit claiming indirect costs under Federal awards. Guidelines and illustrations of indirect cost proposals are provided in a brochure published by the Department of Health and Human Services entitled "A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government." A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office.

4. Because of the diverse characteristics and accounting practices of governmental units, the types of costs which may be classified as indirect costs cannot be specified in all situations. However, typical examples of indirect costs may include certain State/local-wide central service costs, general administration of the grantee department or agency, accounting and personnel services performed within the grantee department or agency, depreciation or use allowances on buildings and equipment, the costs of operating and maintaining facilities, etc.

5. This Attachment does not apply to State public assistance agencies. These agencies should refer instead to Attachment D.

B. Definitions.

1. "Indirect cost rate proposal" means the documentation prepared by a governmental unit or subdivision thereof to substantiate its request for the establishment of an indirect cost rate.

2. "Indirect cost rate" is a device for determining in a reasonable manner the proportion of indirect costs each program should bear. It is the ratio (expressed as a percentage) of the indirect costs to a direct cost base.

3. "Indirect cost pool" is the accumulated costs that jointly benefit two or more programs or other cost objectives.

4. "Base" means the accumulated direct costs (normally either total direct salaries and wages or total direct costs exclusive of any extraordinary or distorting expenditures) used to distribute indirect costs to individual Federal awards. The direct cost base selected should result in each award bearing a fair share of the indirect costs in reasonable relation to the benefits received from the costs.

5. "Predetermined rate" means an indirect cost rate, applicable to a specified current or future period, usually the governmental unit's fiscal year. This rate is based on an estimate of the costs to be incurred during the period. Except under very unusual circumstances, a predetermined rate is not subject to adjustment. (Because of legal constraints, predetermined rates are not permitted for Federal contracts; they may, however, be used for grants or cooperative agreements.) Predetermined rates may not be used by governmental units that have not submitted and negotiated the rate with the cognizant agency. In view of the potential advantages offered by this procedure, negotiation of predetermined rates for indirect costs for a period of two to four years should be the norm in those situations where the cost experience and other pertinent facts available are deemed sufficient to enable the parties involved to reach an informed judgment as to the probable level of indirect costs during the ensuing accounting periods.

6. "Fixed rate" means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual, allowable costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

7. "Provisional rate" means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a "final" rate for that period.

8. "Final rate" means an indirect cost rate applicable to a specified past period which is based on the actual allowable costs of the period. A final audited rate is not subject to adjustment.

9. "Base period" for the allocation of indirect costs is the period in which such costs are incurred and accumulated for allocation to activities performed in that period. The base period normally should coincide with the governmental unit's fiscal year, but in any event, shall be so selected as to avoid inequities in the allocation of costs.

C. Allocation of Indirect Costs and Determination of Indirect Cost Rates.

1. General.

a. Where a governmental unit's department or agency has only one major function, or where all its major functions benefit from the indirect costs to approximately the same degree, the allocation of indirect costs and the computation of an indirect cost rate may be accomplished through simplified allocation procedures as described in subsection 2.

b. Where a governmental unit's department or agency has several major functions which benefit from its indirect costs in varying degrees, the allocation of indirect costs may require the accumulation of such costs into separate cost groupings which then are allocated individually to benefitted functions by means of a base which best measures the relative degree of benefit. The indirect costs allocated to each function are then distributed to individual awards and other activities included in that function by means of an indirect cost rate(s).

c. Specific methods for allocating indirect costs and computing indirect cost rates along with the conditions under which each method should be used are described in subsections 2, 3 and 4.

2. Simplified method.

a. Where a grantee agency's major functions benefit from its indirect costs to approximately the same degree, the allocation of indirect costs may be accomplished by (1) classifying the grantee agency's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to individual Federal awards. The rate should be expressed as the percentage which the total amount of allowable indirect costs bears to the base selected. This method should also be used where a governmental unit's department or agency has only one major function encompassing a number of individual

projects or activities, and may be used where the level of Federal awards to that department or agency is relatively small.

b. Both the direct costs and the indirect costs shall exclude capital expenditures and unallowable costs. However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

c. The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

3. Multiple allocation base method.

a. Where a grantee agency's indirect costs benefit its major functions in varying degrees, such costs shall be accumulated into separate cost groupings. Each grouping shall then be allocated individually to benefitted functions by means of a base which best measures the relative benefits.

b. The cost groupings should be established so as to permit the allocation of each grouping on the basis of benefits provided to the major functions. Each grouping should constitute a pool of expenses that are of like character in terms of the functions they benefit and in terms of the allocation base which best measures the relative benefits provided to each function. The number of separate groupings should be held within practical limits, taking into consideration the materiality of the amounts involved and the degree of precision needed.

c. Actual conditions must be taken into account in selecting the base to be used in allocating the expenses in each grouping to benefitted functions. When an allocation can be made by assignment of a cost grouping directly to the function benefitted, the allocation shall be made in that manner. When the expenses in a grouping are more general in nature, the allocation should be made through the use of a selected base which produces results that are equitable to both the Federal Government and the governmental unit. In general, any cost element or related factor associated with the governmental unit's activities is potentially adaptable for use as an allocation base provided that: (1) it can readily be expressed in terms of dollars or other quantitative measures (total direct costs, direct salaries and wages, staff hours applied, square feet used, hours of usage, number of documents processed, population served, and the like), and (2) it is common to the benefitted functions during the base period.

d. Except where a special indirect cost rate(s) is required in accordance with subsection 4, the separate groupings of indirect costs allocated to each major function shall be aggregated and treated as a common pool for that function. The costs in the common pool shall then be distributed to individual Federal awards included in that function by use of a single indirect cost rate.

e. The distribution base used in computing the indirect cost rate for each function may be (1) total direct costs (excluding capital expenditures and other distorting items such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution. An indirect cost rate should be developed for each separate indirect

cost pool developed. The rate in each case should be stated as the percentage relationship between the particular indirect cost pool and the distribution base identified with that pool.

4. Special indirect cost rates.

a. In some instances, a single indirect cost rate for all activities of a grantee department or agency or for each major function of the agency may not be appropriate. It may not take into account those different factors which may substantially affect the indirect costs applicable to a particular program or group of programs. The factors may include the physical location of the work, the level of administrative support required, the nature of the facilities or other resources employed, the organizational arrangements used, or any combination thereof. When a particular award is carried out in an environment which appears to generate a significantly different level of indirect costs, provisions should be made for a separate indirect cost pool applicable to that award. The separate indirect cost pool should be developed during the course of the regular allocation process, and the separate indirect cost rate resulting therefrom should be used, provided that: (1) the rate differs significantly from the rate which would have been developed under subsections 2. and 3., and (2) the award to which the rate would apply is material in amount.

b. Although this Circular adopts the concept of the full allocation of indirect costs, there are some Federal statutes which restrict the reimbursement of certain indirect costs. Where such restrictions exist, it may be necessary to develop a special rate for the affected award. Where a "restricted rate" is required, the procedure for developing a non-restricted rate will be used except for the additional step of the elimination from the indirect cost pool those costs for which the law prohibits reimbursement.

D. Submission and Documentation of Proposals.

1. Submission of indirect cost rate proposals.

a. All departments or agencies of the governmental unit desiring to claim indirect costs under Federal awards must prepare an indirect cost rate proposal and related documentation to support those costs. The proposal and related documentation must be retained for audit in accordance with the records retention requirements contained in the Common Rule.

b. A governmental unit for which a cognizant agency assignment has been specifically designated must submit its indirect cost rate proposal to its cognizant agency. The Office of Management and Budget (OMB) will periodically publish lists of governmental units identifying the appropriate Federal cognizant agencies. The cognizant agency for all governmental units or agencies not identified by OMB will be determined based on the Federal agency providing the largest amount of Federal funds. In these cases, a governmental unit must develop an indirect cost proposal in accordance with the requirements of this Circular and maintain the proposal and related supporting documentation for audit. These governmental units are not required to submit their proposals unless they are specifically requested to do so by the cognizant agency. Where a local government only receives funds as a sub-recipient, the primary recipient will be responsible for negotiating and/or monitoring the sub-recipient's plan.

c. Each Indian tribal government desiring reimbursement of indirect costs must submit its indirect cost proposal to the Department of the Interior (its cognizant Federal agency).

d. Indirect cost proposals must be developed (and, when required, submitted) within six months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant Federal agency. If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.

2. Documentation of proposals. The following shall be included with each indirect cost proposal:

a. The rates proposed, including subsidiary work sheets and other relevant data, cross referenced and reconciled to the financial data noted in subsection b. Allocated central service costs will be supported by the summary table included in the approved central service cost allocation plan. This summary table is not required to be submitted with the indirect cost proposal if the central service cost allocation plan for the same fiscal year has been approved by the cognizant agency and is available to the funding agency.

b. A copy of the financial data (financial statements, comprehensive annual financial report, executive budgets, accounting reports, etc.) upon which the rate is based. Adjustments resulting from the use of unaudited data will be recognized, where appropriate, by the Federal cognizant agency in a subsequent proposal.

c. The approximate amount of direct base costs incurred under Federal awards. These costs should be broken out between salaries and wages and other direct costs.

d. A chart showing the organizational structure of the agency during the period for which the proposal applies, along with a functional statement(s) noting the duties and/or responsibilities of all units that comprise the agency. (Once this is submitted, only revisions need be submitted with subsequent proposals.)

3. Required certification. Each indirect cost rate proposal shall be accompanied by a certification in the following form:

CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal submitted herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal [identify date] to establish billing or final indirect costs rates for [identify period covered by rate] are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Governmental Unit: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

E. Negotiation and Approval of Rates.

1. Indirect cost rates will be reviewed, negotiated, and approved by the cognizant Federal agency on a timely basis. Once a rate has been agreed upon, it will be accepted and used by all Federal agencies unless prohibited or limited by statute. Where a Federal funding agency has reason to believe that special operating factors affecting its awards necessitate special indirect cost rates, the funding agency will, prior to the time the rates are negotiated, notify the cognizant Federal agency.

2. The use of predetermined rates, if allowed, is encouraged where the cognizant agency has reasonable assurance based on past experience and reliable projection of the grantee agency's costs, that the rate is not likely to exceed a rate based on actual costs. Long-term agreements utilizing predetermined rates extending over two or more years are encouraged, where appropriate.

3. The results of each negotiation shall be formalized in a written agreement between the cognizant agency and the governmental unit. This agreement will be subject to re-opening if the agreement is subsequently found to violate a statute, or the information upon which the plan was negotiated is later found to be materially incomplete or inaccurate. The agreed upon rates shall be made available to all Federal agencies for their use.

4. Refunds shall be made if proposals are later found to have included costs that (a) are unallowable (i) as specified by law or regulation, (ii) as identified in Attachment B of this Circular, or (iii) by the terms and conditions of Federal awards, or (b) are unallowable because they are clearly not allocable to Federal awards. These adjustments or refunds will be made regardless of the type of rate negotiated (predetermined, final, fixed, or provisional).

F. Other Policies.

1. Fringe benefit rates. If overall fringe benefit rates are not approved for the governmental unit as part of the central service cost allocation plan, these rates will be reviewed, negotiated and approved for individual grantee agencies during the indirect cost negotiation process. In these cases, a proposed fringe benefit rate computation should accompany the indirect cost proposal. If fringe benefit rates are not used at the grantee agency level (i.e., the agency specifically identifies fringe benefit costs to individual employees), the governmental unit should so advise the cognizant agency.

2. Billed services provided by the grantee agency. In some cases, governmental units provide and bill for services similar to those covered by central service cost allocation plans (e.g., computer centers). Where this occurs, the governmental unit should be guided by the requirements in Attachment C relating to the development of billing rates and documentation requirements, and should advise the cognizant agency of any billed services. Reviews of these types of services (including reviews of costing/billing methodology, profits or losses, etc.) will be made on a case-by-case basis as warranted by the circumstances involved.

3. Indirect cost allocations not using rates. In certain situations, a governmental unit, because of the nature of its awards, may be required to develop a cost allocation plan that distributes indirect (and, in some cases, direct) costs to the specific funding sources. In these cases, a narrative cost allocation methodology should be developed, documented, maintained for audit, or submitted, as appropriate, to the cognizant agency for review, negotiation, and approval.

4. Appeals. If a dispute arises in a negotiation of an indirect cost rate (or other rate) between the cognizant agency and the governmental unit, the dispute shall be resolved in accordance with the appeals procedures of the cognizant agency.

5. Collection of unallowable costs and erroneous payments. Costs specifically identified as unallowable and charged to Federal awards either directly or indirectly will be refunded (including interest chargeable in accordance with applicable Federal agency regulations).

6. OMB assistance. To the extent that problems are encountered among the Federal agencies and/or governmental units in connection with the negotiation and approval process, OMB will lend assistance, as required, to resolve such problems in a timely manner.

From: Bridget Leslie

Sent: Tuesday, July 25, 2006 4:03 PM

To: Donna Maples; Jessica Clements; Deborah Miller; Christine Martinelli; Danielle Cox; James Jackson; RoseMarie Scheibler; Shirley Clark; Brian Wisner; Florence Baird; Gail Fuller; Sabrina Wright; Barbara Hasty; Cathy Bazzel; Kim Hughes; Cheryl Metz; Charlene Crawford; Jenni Chrislip; Tom Swaynham; Bob Joyner; Sam Stokes Jr.; Diane Thomas; Diane VanDerHoff; Maureen Lane; Radio Room Console; Marilyn Jumper; Sammie Haithcock; Bethann Herbert

Cc: Terri McGee; Tammy Orr; Charles Myers; Emily Burnside

Subject: Timesheet Process

As part of the Certified Public Manager's (CPM) curriculum, each candidate is responsible to complete a research or process improvement project that will be beneficial to the agency. So, I have selected the current timesheet process to research for a possible process improvement. As you know, the current timesheet process is a tender topic for many, but a process that needs to run efficiently.

This project will involve a great deal of research with key personnel who completes and/or processes timesheets. With your help through the month of August, I will schedule meetings at your convenience to discuss your part in this process and any problems/concerns/suggestions you may have.

After meeting with key personnel, I will identify our current workflow processes among divisions. This workflow will assist in developing an agency-wide survey on the current timesheet process. Your problems, concerns, suggestions as well as the results from the survey along with Federal and state regulations will be compiled. During this process, we may have a couple of Focus group meetings to share some of the findings as well as to bring an awareness to all how each step is dependent upon another.

I have tried to send this email to all staff that I'm aware of who processes or has a part in the process. If I have missed someone, please let me know as this list is not all inclusive. Hopefully, I will begin meeting with you starting Monday, August 7, 2006. I would like to complete this part of the project by the last week of August. So, if you have a date and time that is convenient for you, please email me. If I don't hear from you, I will contact you in the near future.

Thanks for all of your help,

Bridget C. Leslie
SCDNR-Grants Administration
Grants Coordinator II
P.O. Box 167
Columbia, SC 29202
803.734.0102 (office)
803.734.4086 (fax)

Appendix D

Subject: Timesheet Worflow Process Mtg.

Start: Mon 8/7/2006 10:00 AM

End: Mon 8/7/2006 11:00 AM

Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Required Attendees: Bridget Leslie; Cheryl Metz; Jessica Clements; Bethann Herbert
Good Morning:

Thanks for your quick response. Let's try to meet on 8/07/2006 at 10:00 a.m. I'll come to you (Cheryl's office rm. 313). If this day and time is good for you, please accept this meeting invitation. It would be great if you will jot down concerns/suggestions you have prior to our meeting. This preparation will allow for a better use of our meeting time so that I won't have to waste your time.

Look forward to seeing you then,

Bridget

From: Cheryl Metz

Sent: Tuesday, July 25, 2006 4:18 PM

To: Bridget Leslie

Subject: RE: Timesheet Process

Bridget, please make sure that Jessica, Bethann and I meet at the same time. Bethann is new, but she helped process my time sheets last pay period, and she may have some suggestions. Thanks!!

Cheryl C. Metz

Sr. Admin. Asst.

L/E Staff Ops

P.O. Box 167

Columbia, SC 29201

metzc@dnr.sc.gov

Subject: Timesheet Workflow Process Mtg.
Location: Rm. 269

Start: Mon 8/7/2006 11:00 AM
End: Mon 8/7/2006 12:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Required Attendees: Bridget Leslie; Shirley Clark
Good Morning:

Thanks for your quick response. Let's try to meet on 8/07/2006 at 11:00 a.m. I'll come to you (rm. 269). If this day and time is good for you, please accept this meeting invitation. It would be great if you will jot down concerns/suggestions you have prior to our meeting. This preparation will allow for a better use of our meeting time so that I won't have to waste your time.

Look forward to seeing you then,

Bridget

From: Bridget Leslie
Sent: Thursday, July 27, 2006 7:53 PM
To: Tom Swaynham
Subject: RE: Timesheet Process

That would be great! Already I have a few meetings set up. Please let me know when that week you are coming, and I'll try my best to meet with you.

Thanks,

Bridget

From: Tom Swaynham
Sent: Thu 7/27/2006 4:39 PM
To: Bridget Leslie
Subject: RE: Timesheet Process

Bridget - Thanks for trying to improve this process. I would be glad to meet with you. I may be coming to Columbia that week unless you had planned to try and get out to the field offices. I'll let you know a day soon.

Tom Swaynham

-----Original Message-----

From: Bridget Leslie
Sent: Tuesday, July 25, 2006 3:03 PM
To: Donna Maples; Jessica Clements; Deborah Miller; Christine Martinelli; Danielle Cox; James Jackson; RoseMarie Scheibler; Shirley Clark; Brian Wisner; Florence Baird; Gail Fuller; Sabrina Wright; Barbara Hasty; Cathy Bazzel; Kim Hughes; Cheryl Metz; Charlene Crawford; Jenni Chrislip; Tom Swaynham; Bob Joyner; Sam Stokes Jr.; Diane Thomas; Diane VanDerHoff; Maureen Lane; Radio Room Console; Marilyn Jumper; Sammie Haithcock; Bethann Herbert
Cc: Terri McGee; Tammy Orr; Charles Myers; Emily Burnside
Subject: Timesheet Process

As part of the Certified Public Manager's (CPM) curriculum, each candidate is responsible to complete a research or process improvement project that will be beneficial to the agency. So, I have selected the current timesheet process to research for a possible process improvement. As you know, the current timesheet process is a tender topic for many, but a process that needs to run efficiently.

This project will involve a great deal of research with key personnel who completes and/or processes timesheets. With your help through the month of August, I will schedule meetings at your convenience to discuss your part in this process and any problems/concerns/suggestions you may have.

After meeting with key personnel, I will identify our current workflow processes among divisions. This workflow will assist in developing an agency-wide survey on the current timesheet process. Your problems, concerns, suggestions as well as the results from the survey along with Federal and state regulations will be compiled. During this process, we may have a couple of Focus group meetings to share some of the findings as well as to bring an awareness to all how each step is dependent upon another.

I have tried to send this email to all staff that I'm aware of who processes or has a part in the process. If I have missed someone, please let me know as this list is not all inclusive. Hopefully, I will begin meeting with you starting Monday, August 7, 2006. I would like to complete this part of the project by the last week of August. So, if you have a date and time that is convenient for you, please email me. If I don't hear from you, I will contact you in the near future.

Thanks for all of your help,

Bridget C. Leslie

From: Bridget Leslie
Sent: Friday, July 28, 2006 8:51 AM
To: Christine Martinelli
Subject: RE: Timesheet Process

Thanks for your quick response. Maybe we can chat a little on the 11th of August. I believe you will be here in Columbia. If not, we can do a teleconference.

Take care,

Bridget

From: Christine Martinelli
Sent: Tuesday, July 25, 2006 4:42 PM
To: Bridget Leslie
Subject: RE: Timesheet Process

Call me and we'll setup a time convenient for both of us. This will be great!

From: Bridget Leslie
Sent: Tuesday, July 25, 2006 4:03 PM
To: Donna Maples; Jessica Clements; Deborah Miller; Christine Martinelli; Danielle Cox; James Jackson; RoseMarie Scheibler; Shirley Clark; Brian Wisner; Florence Baird; Gail Fuller; Sabrina Wright; Barbara Hasty; Cathy Bazzel; Kim Hughes; Cheryl Metz; Charlene Crawford; Jenni Chrislip; Tom Swaynham; Bob Joyner; Sam Stokes Jr.; Diane Thomas; Diane VanDerHoff; Maureen Lane; Radio Room Console; Marilyn Jumper; Sammie Haithcock; Bethann Herbert
Cc: Terri McGee; Tammy Orr; Charles Myers; Emily Burnside
Subject: Timesheet Process

As part of the Certified Public Manager's (CPM) curriculum, each candidate is responsible to complete a research or process improvement project that will be beneficial to the agency. So, I have selected the current timesheet process to research for a possible process improvement. As you know, the current timesheet process is a tender topic for many, but a process that needs to run efficiently.

This project will involve a great deal of research with key personnel who completes and/or processes timesheets. With your help through the month of August, I will schedule meetings at your convenience to discuss your part in this process and any problems/concerns/suggestions you may have.

After meeting with key personnel, I will identify our current workflow processes among divisions. This workflow will assist in developing an agency-wide survey on the current timesheet process. Your problems, concerns, suggestions as well as the results from the survey along with Federal and state regulations will be compiled. During this process, we may have a couple of Focus group meetings to share some of the findings as well as to bring an awareness to all how each step is dependent upon another.

I have tried to send this email to all staff that I'm aware of who processes or has a part in the process. If I have missed someone, please let me know as this list is not all inclusive. Hopefully, I will begin meeting with you starting Monday, August 7, 2006. I would like to complete this part of the project by the last week of August. So, if you have a date and time that is convenient for you, please email me. If I don't hear from you, I will contact you in the near future.

Thanks for all of your help,

Bridget C. Leslie
 SCDNR-Grants Administration
 Grants Coordinator II
 P.O. Box 167

From: Bridget Leslie
Sent: Thursday, November 02, 2006 10:03 AM
To: All SCDNR employees
Cc: John Frampton
Subject: SCDNR Timesheet Process Survey

As part of the Certified Public Manager's (CPM) curriculum, each candidate is responsible for completing a research or **process** improvement project that will be beneficial to the agency. I have selected the current timesheet process to research for **process** improvement in hopes that improvements can be made to the submission of timesheets and to reduce the number of errors on timesheets.

My project will **not** investigate the requirement for the completion of timesheets that is determined by the Human Resources office as work relates to the requirements established by the Fair Labor Standards Act (FLSA). What I hope to do is identify some opportunities to improve the processing of timesheets. Once the results from the survey are received and analyzed, I will coordinate changes (if approved) with our divisions' liaisons and the Human Resources office to ensure we continue to meet Federal requirements for the completion of timesheets, but improve the process.

As an employee/customer utilizing the timesheet process, your input is greatly appreciated to assist in improving this process. As a result, a survey has been developed to provide pertinent information. You will be able to provide comments as well as ask any questions you may have at the end of the survey. This survey is brief and should only take about ten (10) minutes to complete. You will have until noon November 7, 2006, to complete this survey.

Here is the link to access the survey:

<http://www.surveymonkey.com/s.asp?u=552072803255>

In advance, I thank you for your participation to help make our timekeeping process a more efficient one.

Thanks,

Bridget C. Leslie
SCDNR-Grants Administration
Grants Coordinator II
P.O. Box 167
Columbia, SC 29202
803.734.0102 (office)
803.734.4086 (fax)

Appendix E

Response Percent	Response Total
53.2%	108
37.4%	76
6.4%	13
0%	0
3.9%	8
1%	2
Total Respondents	203
(skipped this question)	0

/ assigned computer?

Response Percent	Response Total
96.1%	195
3.9%	8
Total Respondents	203
(skipped this question)	0

Response Percent	Response Total
79.8%	162
20.2%	41
Total Respondents	203
(skipped this question)	0

4. Are you a Law Enforcement Officer?

	Response Percent	Response Total
Yes	9.4%	19
No	90.6%	184
Total Respondents		203
(skipped this question)		0

5. What Division do you work for?

	Response Percent	Response Total
Executive	3.4%	7
Land, Water and Conservation	17.2%	35
Law Enforcement	13.3%	27
Outreach and Support Services	14.8%	30
Marine Resources	34.5%	70
Wildlife and Freshwater Fisheries	16.7%	34
Total Respondents		203
(skipped this question)		0

6. Do you complete your own timesheet?

	Response Percent	Response Total
Yes	81.3%	165
No	18.7%	38
Total Respondents		203
(skipped this question)		0

7. Are you a division timesheet liaison (one who gathers and submits more than three (3) electronic timesheets)?

	Response Percent	Response Total
Yes	13.3%	27
No	86.7%	176
Total Respondents		203
(skipped this question)		0

8. If you are a division timesheet liaison, do you use Microsoft Access to approve/process timesheets?

	Response Percent	Response Total
Yes	25.3%	20
No	75.9%	60
Total Respondents		79

(skipped this question) 124

9. How many timesheets do you process?

	Response Percent	Response Total
1-4	75%	81
5-10	12%	13
11 or above	13%	14
Total Respondents		108
(skipped this question)		95

10. Is your salary paid from a Federal grant?

	Response Percent	Response Total
Yes	38.9%	79
No	61.6%	125
Total Respondents		203
(skipped this question)		0

11. Are you paid from multiple Federal grants?

	Response Percent	Response Total
Yes	17.2%	35
No	83.3%	169
Total Respondents		203
(skipped this question)		0

12. Are the timesheet processes and procedures clear and understandable to you?

	Response Percent	Response Total
Yes	86.2%	175
No	13.8%	28
Total Respondents		203
(skipped this question)		0

13. Are you located in the Columbia (Dennis Building) or Charleston (Marine Center) offices?

	Response Percent	Response Total
Yes	70%	142
No	30.5%	62
Total Respondents		203
(skipped this question)		0


14. Does your office or section have access to an administrative assistant?

	Response Percent	Response Total
Yes	79.3%	161
No	21.2%	43
Total Respondents		203
(skipped this question)		0

15. Do you believe the timesheet process can be improved?

	Response Percent	Response Total
Yes	65.5%	133
No	35%	71
Total Respondents		203
(skipped this question)		0

16. If yes, please explain or comment.

 Total Respondents	127
(skipped this question)	76

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Tuesday, April 03, 2007

Open-Ended Results Detail

<< Back

Export...

Filter Results

To analyze a subset of your data, you can create one or more filters.

Add Filter...

Total: 203

Visible: 203

Share Results

Your results can be shared with others, without giving access to your account.

Configure...

Status: Enabled

Reports: Summary and Detail

Page Size: Show 250 per page

Displaying 1 - 127 of 127

If yes, please explain or comment.

1. There is always room for improvement!
2. Complete waste of time for a salary employee!
3. The timesheet process works fine "as is" on my submitter's end. There may be improvements unknown to me that could be made in the process as a whole though.
4. I just do it the way I always have-I don't have a clear picture of why. I DO NOT like having the ssn on the top. That is way too risky and I don't like it going around the building. I also have to submit a paper copy and an electronic copy. I would like to just submit one.
5. There is room for improvement in all processes.
6. I think it would be more efficient if the process had less steps with the cutting and pasting and e-mailing. It would be nice if we could just go to one area and process all the sheets without having to cut, paste, and e-mail.
7. If supervisors and business managers could read the electronic version of the timesheet then we could eliminate the need for a hard copy to be submitted on payday. Currently, we are providing an electronic copy, a printed copy (on payday) and a signed copy of the same timesheet. This is EXTREMELY inefficient. Also, we should eliminate the need for hard copies by having electron signatures. Make this a one step process. Thanks.
8. I do not have a problem with the current timesheet process, but I suppose the current procedures can be improved upon in some way, as is the case with most processes or procedures.
9. I think that timsheets pass through too many different hands during the process. Also, actual hard copies of the timesheets are located in more than one area. Some timesheets are kept in files by the Business Managers, some are kept in the Payroll office, some in Human Resources and some in the Grants office. It seems to me that the payroll office would be the main recipient of timesheets, whether electronic or hard copies.
10. Time sheets are often due in Columbia prior to completion of the work week. Therefore, employees must fill out time sheets before they have actually worked the hours. This is impossible to do "by the book " when working around inclement weather, sick leave etc.
11. The process needs to be more streamlined and there needs to be IT support for the program. The program was written years ago and when the programmer left - there was no one who understood how the program worked nor how to correct the problems (they did try to figure it out but since they didn't write the program it was difficult to decipher). Often the timesheets don't get processed correctly or there are glitches that keep it from reaching it's final destination (payroll office) because it has to be

filtered through too many people along the way. Someone should check with other large agencies with federal funds to see how they handle timesheets and work accountability - this process is very complicated.

12. electronic signatures

13. 1)The leave system needs to be integrated somehow with the timesheet. Currently the employee must remember to log leave taken earlier in the month on their timesheet. If the system automatically linked this information, it would eliminate instances where leave is forgotten or the amount is misremembered. 2)The ability to submit timesheets the day after the time window would greatly reduce the amount of guessing and/or revised timesheets that must be generated due to the current system of submitting a timesheet that ends 6 hours after the submission deadline. In the case of timesheets that are due on Friday before a Monday holiday, employees may be estimating at least 90 hours ahead of the end of the time period. This is simple if weekends and holidays are never worked. However, much of our workforce does work weekends and holidays; this greatly complicates things. Totally unrelated: I am not sure that I understand the point of taking time to submit and process timesheets for exempt employees. No one cares if you regularly work 20 hours of overtime and someone who works less than 37.5 hours is likely to lie about it anyway. So, it seems like a pointless waste of many man hours. Is it not just filling a piece of paper to have a piece of paper on file?

14. I AM CURRENTLY DOING MY TIME AND LAW ENFORCEMENT OFFICERS TIMES SHEETS FRO MY REGION. I WOULD LIKE TO SEE THEM THE SAME, I LIKE THE FORMAT WE ARE USING FOR THE OFFICERS.

15. No social security numbers on timesheet.

16. We have to many processes to do. 1st you enter your timesheet, next it's send to your supervisor for approval and than it's given back to you for your signature. I think the signature should be done electronically. This will save time and paper.

17. Paper + electronic gets cumbersome, especially if timesheet needs to be amended. Perhaps supervisor could approve online.

18. Timesheets are huge complaint from staff. The process seems to take a huge amount of time for the folks who are processing them. Anything that is more user-friendly would be greatly appreciated.

19. Everything can be improved if you try.

20. Due to the nature of my job I am rarely in the office. When timesheets are due I must make a special trip to the office if my duties are in other counties. Could a time sheet be filled out and electronically signed from an internet location?

21. LAW ENFORCEMENT TIME SHEETS CANNOT BE TRANSFERRED ELECTRONICALLY. IT WOULD BE EASIER IF THEY COULD BE SIGNED BY SUPERVISOR ONLINE AND SENT TO REGION OFFICE.

22. More automated.

23. Ensure all field staff are provided practical access to a computer in order to complete his/her own electronic time sheet and reduce/eliminate the continued process of employees completing paper time sheets, mailing them to another employee who in turn must complete/submit someone else's time.

24. Time sheet should be connected to the Chart of Accounts so that if an employee enters an invalid account number, the time sheet will not accept the entry. Since most of the DNR staff are science based, account numbers don't register on their radar. Putting the responsibility for correct account numbers at this level just doesn't work. Often the employee is in the field by the time that Danielle learns that a time sheet has kicked out of the system and then it becomes the Business Manager's problem.

25. I find it a very inefficient process for field offices to get timesheets in to Columbia. You have to email a copy in and also send a signed hard copy in several days early to make it through the mail system by the deadline.

26. It would be great if when I typed in a social security number that persons name and hours they usually worked popped into the timesheet. Then, all I would have to do is change the hours on the day an employee did not work or worked a half day. Also, if the account #, project name, year, month, exempt status, etc. were already listed and saved within the form it would be better. I understand that SSN are very private so instead of entering the SSN and the employees info. be pulled in, you could make it where when the employees name is entered the other info pulls into the form, or simpler yet, have each employees time sheet saved in the computer, (accessed by a username and password, if need be) allowing the admin. assistant to just change the hours if the employee took off a day and enter the employees SSN. If things are saved within the form it would streamline the procedure. It is not too much

to ask that all of this info. be entered in everytime, but when you are processing 8-9 time sheets it becomes very time consuming. To date, the best change that has been made took place about a year ago when the decision was made that we no longer had to fax the timesheets. It was very difficult to track down 8 people over a 20,000 acre area to get signatures and get back to the office to fax them, only to get a busy signal from the faxed # dialed. Eliminating this step was a HUGE time saver!

- 27.** It is unnecessary to require paper timesheets. This is a waste of money and time. Have the electronic copy sent to the supervisor for review and then submitted from their account (this would be like a signature). My supervisor never even looked at my timesheet. It was also a frustrating farce to turn in 37.5 hours when in fact I work upwards of 50 to 60 hours a week at times.
- 28.** Several areas need to be addressed. At one time reminders were e-mailed about 2 days ahead of the day time sheets were due. These were very helpful in keeping the due date straight. For some reason these reminders simply stopped coming. Another issue is the strict time frame for hourly employees. I have employees who do not have access to a computer and are located over an hour from the office. In order for me to get a signed timesheet faxed in by the 10:00 am deadline, they either have to drive over an hour one way 2 times a month or mailed me a signed copy putting down hours in advance. The department is basically asking us to "lie" about hours worked at the end of the time period in order to get them in on the day they are requested. A little more flexibility in the time required for a hard copy is needed.
- 29.** The individual that gets them last is on a time schedule, therefore, the officers have to turn them in too quickly. Too much paperwork. Patty Eppley is working on something to make this easier and hopefully will allow us to do this online. Hopefully this new program will add the numbers itself, instead of us having to do it and sometimes make mistakes.
- 30.** I only fill out a timesheet for state match to a federal grant. The only problem with timesheets that I have is the schedule by which they are due.
- 31.** I believe that if you are exempt and are paid off a single funding source, you should not have to worry about doing a timesheet. It is a waste of my time and yours!
- 32.** The only problem we have had is not being notified to change account numbers on the timesheet when grants roll over and a new account number is assigned. Sometimes we have had to go back a month or two and resubmit corrected timesheets.
- 33.** Often times employees have to guess at their time toward the end of a pay period. This is because field work has them out of the office when timesheets are due. Don't know how to improve on that, but it can be problem.
- 34.** I do not think they should be due on the last day of the pay period because it causes employees (particularly those in the field) to guess at when they will finish up on that day. Not all employees within the DNR work a set 8 to 5 schedule. Timesheets should be due on the first day of the following pay period.
- 35.** We submit both electronic and paper formats, and this seems to be a redundancy. Eliminating paper formats would be an answer, especially because it contains our SSN which is a personal identity risk.
- 36.** If an electronic timesheet is submitted, why submit a paper version as well?
- 37.** I believe that there should be some way to electronically sign our timesheets so that we don't have to turn in a paper copy as well as an electronic one. Having to turn in a paper timesheet seems like it is undermining the point of filling out electronic ones. Also, the electronic system is difficult to understand. Nobody ever showed me the correct way to send it and I only found out two years after I started working at DNR that I was doing it wrong! I'm not totally sure I know how to do it now or not.
- 38.** eliminate the paper work and do it all electronically, using secure passwords to ensure authenticity
- 39.** From the field we submit a fax copy, a electronic copy, and remit a hard copy for each pay period. This is very time consuming. Could we consolidate or delete some of the copies?
- 40.** While I often have trouble getting the "Save and Print" Macros to work (I usually print and save through the regular menu) I do think that the system is easy when the software functions properly.
- 41.** Timesheets should not be submitted prior to the end of the reporting (pay) period. Timesheets should show actual hours worked. If you submit them prior to the end of the period you are assuming or predicting what you will work, but it may not always be actual hours.
- 42.** integrate with E-Leave

- 43.** More computer friendly
- 44.** Perhaps with an online form (maybe an Access form) that is completed then sent to our supervisors for approval. USC has something like that called ITAMS. It's not the most user friendly interface, but it's easy enough.
- 45.** Training business managers up front on all information needed and everything contained on the payroll forms including what the coding means would be helpful.
- 46.** Sending an electric copy, faxing a copy, and then mailing a hard copy seems excessive and time consuming.
- 47.** We need lap tops and internet service to do time sheets, reports, and stay in touch. I have to hand write time sheets, fax a copy and then drive an hour each way to turn in the original. I don't have my own computer and we need them in our trucks.
- 48.** I think it is ridiculous that we have to put our entire SS# on our timesheet for everybody to see. It seems that the printed hardcopy could be made so that only the last 4 digits show, or none at all. Could we move away from paper copies all together? Perhaps the e-leave system could be merged with timesheet submittal so that employees fill out an electronic timesheet that is mailed to the supervisors for approval. Upon supervisor approval, the timesheet would then be electronically submitted to the proper authority.
- 49.** I think it's crazy to have to do a timesheet when we are on the e-leave system.
- 50.** I am paid completely from one grant account. It would be helpful to not have to submit the timesheet because I work 37.5 hours per work from one account.
- 51.** Timesheets should be done online and intergrated into our agencie's Oracle database. Creating a "paper trail" is really pointless these days. Lets just fill out an online form and click submit. Supervisors can then approve the form just like the current leave system. Actually, many more of our agencie's processes should be handled this way. Those without access to a computer should coordinate with their supervisors and AAs to get the information entered.
- 52.** I haven't an idea how, but just remember when I did complete the time sheets they were more of a nuisance than anything.
- 53.** Make it totally electronic with electronic signatures. No need to print and submit hard copies.
- 54.** Without a doubt, these timesheets should be electronic - the same as the e-leave system. The current method of timesheets is extremely time consuming, these timesheets must go through entirely to many people, there is no need to have so much paper when it could be done electronically and I feel it would greatly reduce errors, time, paper and stress, while at the same time improve effeciency, ability to quickly make changes and retrieve information quicker.
- 55.** Currently the process is confusing to the user and is very time consuming. I supervise 5 people and I have to verify e-leave before I check each employees time. Somehow you would think these could be connected. I cannot imagine what people do that supervise more than 5 people. I spend at least 45 minutes every pay period on verifying time sheets.
- 56.** There are some timesheet associated processes which should be automated. For example, I dont believe the match is automatically captured, I think someone does that manually. Also the account out of which grant supported personnel should be paid does not appear to be automatic (since there are frequent errors in which account it is charged to).
- 57.** There are problems with the format on the 28 day time sheet. The current format on the web page will not allow officers to put the correct Federal and State account numbers on the form. Patty Epley has corrected some of these problems, but there are still problems with the electronic time sheet that is available on the web page.
- 58.** Forms still need work. Some lines bold, others not but no logic. Separation between project account lines need to be bolder. The time sheets should be able to be submitted without all the extra conversion steps.
- 59.** Timesheets are submitted through different channels throughout the agency. In addition, the originals are stored in various locations. I recommend that the storage of timesheets also be considered during this process.
- 60.** I do not process timesheets now but I have in the past. I believe the time sheets should be submitted only by the employee's supervisor. The supervisor is the only one that can verify if the time submitted is true and written correctly.

- 61.** Time sheets should be due AFTER the period is completed not before, currently we have to send in time sheets estimating our time. We have no real way of knowing if corrected time sheets are logged in. Also it would be nice to have a screen that tracks your "match" time so you can tell how many hours of match you have done for the Federal FY and how many are "due" It is labor intensive to track currently. Also it is not clear as to whether any of our AL etc is "match" on a project. Thanks Have a good day
- 62.** If there was some sort of electronic signature, that would do away with having to sign a paper copy, that would make it easier
- 63.** I think that submitting both a hardcopy and an electronic copy of timesheets is redundant.
- 64.** Integration with leave slips and notification of supervisors when there is a discrepancy.
- 65.** I only use the process occasionally, when I put time in on projects outside of my regular duties. It seems that a more efficient back-up system could be developed so that only digital copies would be necessary. There are still huge numbers of hard copies being mailed and stored. Cost savings should be fairly good.
- 66.** It is often a problem that timesheets are due before the reporting period is finished. Particularly for hourly employees or part time staff who are unsure of how many hours will be worked that day- especially for folks in the field. We don't always know how long it will take to complete our field work that day. Even full time employees are in a bind if they've already filled out a time sheet and then they get sick. I'm not even sure what we're supposed to do in that case. A time sheet should never be due before the hours have actually been worked. I know that there is processing involved, but since we have a two week delay in paychecks, this should allow plenty of time for processing if they were due the day the pay period.
- 67.** Too much paper is involved. When I first started the process was almost an "oh by the way" one. No firm direction was given about how to complete or what to complete on the sheet. How is it that divisions or even sections in the same agency have different policies regarding something that should be standard. Except for hourly employees, do the timesheets really matter since we added e-leave? It seems like a paperless system would be more efficient.
- 68.** I'm not sure it can be improved. One thing that bothers me is that timesheets are due before the time is actually worked, on some occasions a few days before. If an emergency or illness comes up in the meantime, an appended timesheet must be submitted, electronically and in hard copy. This can be a pain for both the submitter and the processor. Another suggestion: since our leave request/approval system and our timesheets are both electronic, could our approved leave be automatically entered into our timesheets? Perhaps the entries could have a check function (I don't know the proper terms for these ideas) so that the submitter must click the entry as a way of double-checking/approving the entry. This might cut down on mistakes.
- 69.** I would like to see DNR move to a paperless timesheet I feel that it is redundant to submit an electronic and a paper copy every other week. At the very least think of the reduction in paper costs and the environmental impact of not using paper.
- 70.** It makes no sense to me to be required to submit the timesheet the morning of the last day you are reporting (i.e., the timesheet was due at 10:00 a.m. on Nov. 1, and if the employee unexpectedly has to use leave later on that day, they have to submit an amended timesheet).
- 71.** It is redundant to complete an electronic copy and also send in a paper copy. It is also not cost effective for the same reason.
- 72.** I do not understand why timesheets must be completed the day before the pay-period ends. Employees must estimate hours they will work. Why do these same sheets that are submitted electronically, have to be faxed/mailed to the Columbia Office? If they need signatures, the originals can be kept on file by the supervisor, and provided later. In defining leave, the most common AL, SL, FSL, etc. should be moved to the top of the list, instead of scrolling down. I realize they are in ABC order, but it could be changed. When an employee takes a full pay-period of leave, you must delete the "name" of the account and account number. Then, one month later, when they do work, you must add that info back; if you can remember what it was.
- 73.** Clarify exempt compliance and make supervisors deal with time * 40 h in a more consistent way. The questions above are often not yes/no
- 74.** confusion over how to match time to federal or other types of grants. aid with this subject will help since the majority of staff work under grant funds
- 75.** Account codes should be made available prior to the start of any new projects where time must be kept separate from the standard account code.

- 76.** Accepting electronic signatures would take a few of the steps out and make processing more efficient. We now have to send the flat file electronically, save it as an excel file and email that one, sign an original, snail mail that one, and of course, keep a copy for our own file. Twice a month that really adds up!
- 77.** I found the whole process more complicated than it needs to be, primarily because there was not a lot of instruction when I started 1.5 years ago. There was no consistancy. No two offices used the same submission process, even within the same Region of the same Section. I also found that, as a Biologist, I work more hours than is accepted under FLSA. I did not feel right fudging my timesheet, i.e. not reporting the all hours I work, or saying I worked a day I actually took off (to compensate myself for an extra long week since I don't get Comp Time either). I couldn't get a straight answer on if that was okay, so now I fill out a Quarterly Assurance form (I'm on a Federal Grant). I still don't know if it is the right way to do it, but it is the easiest and least complicated. As for those that do fill out timesheets, there could be an easier way of logging hours electronically (and totally eliminate the "steet" part of timesheets). Though I realize that not every DNR staff member has computer access or could be successfully trained to report hours electronically. I think it is counterintuitive that we fill out and email electronic timesheets, then follow it with a hard copy in the mail. Electronic timesheets are meant to minimize paper, but we still print them out. If I can submit my taxes to the IRS and State of SC online without having to follow with a hard copy, then certainly we can do electronic timesheets.
- 78.** An online tool should be developed that eliminates the need for timesheet users to use Excel to complete timesheets, then search for, attach, and email a timesheet file. This, and the MS Access application for supervisors should all be part of the integrated tool that interacts with a centralized database so emailing timesheets, and the requirement of using Excel and Access can be eliminated entirely. The ideal interface for such a tool would be a web standards-based application that users could use in a web browser of their choice (like eLeave currently does).
- 79.** My suggestion would be to set the timesheet system up similar to the e-leave system. The employee completes the timesheet and submits to management for approval, and it is channeled through the system accordingly. Paper copies would be optional, only if an employee opted to keep a hardcopy for his/her personal files or use would it be printed. There would need to be stiff consequences for employees not submitting on time, this would encourage on-time submission. Thanks, Barbara We should be able to submit the timesheets in one form or the other. It seems like duplicate work to submit an electronic version, then a hardcopy. Initially, I thought the electronic version was to replace hardcopy submission. I am the administrative assistant in our section, and we are charged to collect e-mailed copies and submit, then have management sign hardcopies and submit, and the employee is still required to submit an electronic copy.
- 80.** Not sure
- 81.** As some things can always be improved and/or changed the present timesheet process seems to work fine for me at this time. THANKS PS The E-Leave system also works well for me.
- 82.** There is no connection between e-leave and timesheets to verify correct information was submitted.
- 83.** It makes no sense that employees have to submit both electronic and hardcopies of their timesheets. I understand that a signature is required on the timesheets, but I see no reason why the agency can't use electronic signatures.
- 84.** Why do we need both hard copy and email? One should be enough, preferably the email.
- 85.** I only say yes for two technical-related reasons: 1) for the time sheet file to work I have to enable macros in Excel, then when I try to close the timesheet after having saved and printed it, it closes every other excel spreadsheet I have open (admittedly this is a curse of the hell-spawn of Microsoft, but maybe some savvy DNR computer geek can fix this), 2) the email address we send the timesheets to now starts with "MRD", the result is that Outlook users type these three letters into the address bar and Outlook completes the address for us...unfortunately, it often completes it incorrectly and several times people have not noticed it and have mailed timesheets to "all-MRD", in other words, every employee of the Marine Resources Division gets a copy of that person's timesheet. Best of luck with your survey.
- 86.** When someone is on annual leave (or sick leave) for a full pay period (one timesheet), it would be easier if we didn't have to delete account numbers before submitting the time sheet. It won't accept a timesheet with only leave on it and no hours worked.
- 87.** ELIMATE THE TIME SHEET ALL TOGETHER SINCE THE LE OFFICERS ARE SALERIED EMPLOYEES.
- 88.** Maybe (from someone who does not deal w/timesheets) 1. exempt employees do not need to receive most time-sheet related notices if they have no responsibility for nonexempt employees, ie., a few minutes less per month would be spent reading and culling irrelevant emails (probably a minor point). 2. Regards

- 89.** In this technologically advanced era, there is no need for submission of electronic and hardcopy paper time sheets. It is a waste of time, duplication of effort and serves no purpose. Electronic signatures can be developed and placed on the electronic time sheets by the respective employee.
- 90.** Weekends should be automatically blocked out. There should be examples of what quarter hours are for employees. They seem to have difficulties figuring out how much they need to put for leave. Another thing is that when employees are paid out of multiple accounts, it is very difficult to figure out their time if they were gone for part of the day.
- 91.** I think there are too many people involved in the process. I think it's wasteful to have numerous liasons in each division. There should just be one person in each division that collects and processes the time sheets.
- 92.** All On Line... No more Paper
- 93.** There is too much duplication of effort. Faxing, mailing, e-mailing the same time sheet. Electronic signatures would eliminate some of the delays. Also a concern is the fact that work hours have to be estimated due to the time frame we have on getting time sheets turned in to Columbia office.
- 94.** I believe it would be an improvement to have everyone use the same system. All timesheet entered into a central database. Each division could enter there timesheet and have there superior accept or take appropriate action. From that data base reports could be written to pull different information that may be needed at different times without extra work or extensive time added.
- 95.** stream line the process.....
- 96.** Undecided
- 97.** All time sheets should be processed the same way.
- 98.** Remove social security numbers from timesheets
- 99.** There has been considerable confusion about the correct address to email the timesheets to. Perhaps the confusion could be alleviated by using a direct entry online database.
- 100.** It would be nice if there was a submission button on the form instead of having to save it and email it as an attachment.
- 101.** A consistent day of submittal. Other than the 2nd or 16th falling on a weekend, why are timesheets requested to be submitted the day before the end of the time period? Should they be submitted by 10:00 a.m. on the last day of the time period or the day prior? Other than hourly employees, why the urgency to submit timesheets for salaried personnel (i.e. by 10:00 a.m.)? If they are Exempt or Non-Exempt and work on the same account consistently, isn't their paycheck always the same (i.e. yearly salary divided by 24 pay periods) regardless of if a timesheet is submitted by 10:00 a.m.? I do however appreciate the fact that only the hourly employees' timesheets need to be faxed to Columbia. It seems redundant to submit an electronic timesheet, mail a hard copy and fax copies. If the supervisor puts the timesheet through the supervisor database and "approves" those timesheets, why submit hard copies at all? It would seem that only hourly employee's are actually paid from the timesheet hours submitted. Why are some timesheets submitted to a supervisor and put through their supervisor database, but others can be sent directly to Columbia in the .asc format? Is it a requirement for all regional coordinators to put timesheets through a supervisor database? As an administrative assistant, I submit some timesheets directly to Exempt, Non-Exempt or Hourly timesheets without going through a supervisor's database. The supervisor does, however, sign and approve all hard copies of time sheets. If an Exempt or Non-Exempt employee works on only one project number throughout most of the year, but a couple of times a year has to charge a particular day against a different account number, do timesheets have to be submitted for the entire quarter? Why can't one timesheet be submitted for that timeframe only when a day is charged to a different account? Consistency would simplify the process to me.
- 102.** We currently have to turn in a "hard copy" in addition to e-mailing a time-sheet. It would be more efficient to skip the printed version (at least for salaried or exempt employees).
- 103.** It doesn't really make sense why we need to do a timesheet when every week is the same. If we are not allowed to claim overtime there isn't really a point to filling it out. If that cannot be changed, the process itself from the standpoint of someone filling it out and handing it in to be processed is not that difficult.
- 104.** Time sheets need to be submitted and grouped by section. For the most part this is already happening but to many time sheets come in after the deadline with no way to tell by looking at the time sheet what division or section its from. We have recommended in the past that all time sheets be submitted with a coversheet giving basic information regarding division, PP, section and names. Also I might recommend

the time sheet be revised to include the employee's division and section.

- 105.** Detailed, step-by-step instructions would be very helpful. The process using the computer form is very complicated and a set of instructions would be helpful for those of us who are not very computer literate.
- 106.** The process of submitting time sheets and leave requests should be integrated. At present people submit leave requests through eleave then a couple weeks later record leave on a separate timesheet resulting in inconsistencies that someone must then resolve. This aspect of the system wastes much time and results in auditing problems.
- 107.** Why can't this information be processed from the eLeave system so that the employee doesn't have to submit two separate things for the same reason.
- 108.** Since we already submit leave requests to the State HR system, it could be used to figure our timesheets. If that is not possible, then only non-working hours need be submitted. In other words, if one works a 37.5 week, no timesheet should need to be submitted. Supervisors could establish accounts with business managers that are to be debited.
- 109.** Use electronic signatures to eliminate the need to mail the forms. They could be emailed then.
- 110.** timesheets are always due before the pay period is over. In addition, in order for everyone (employee and supervisor) to sign the timesheet, it needs to be completed even earlier. The last few days of the timesheet are guestimates at best. This really makes a difference for the hourly people.
- 111.** Do away with the paper copy.
- 112.** I am not receiving my "time and a half" when I go over on my hours. The computer program only gives me straight time. P.S. No where on your survey did you ask what type of time sheet you complete, (i.e. 28 day cycle timesheet versus 2 week time sheet.)
- 113.** I don't have a problem with the timesheet process, the only thing I would change would be the removal of our SS# on our timesheets.
- 114.** We tend to over work this process with having to cross reference E leave, have them sign each timesheets, key the data in one program and then transfer it to another database program then email that format to payroll. Thanks for trying to streamline this porcess.
- 115.** too cumbersome-must be a better way to do this than sheets passing through 2 or 3 sets of hands
- 116.** It's working fine for me. Not broke don't fix it.
- 117.** Anything can be improved, however this is already a fairly simple process. Short of not having to submit one, I can think of no improvement over the current process.
- 118.** Using paper copies should be totally eliminated and all aspects of the timesheet process should be handled electronically. It could work like this: The employee completes and then emails the elctronic timesheett to their supervisor for approval. After reviewing, the supervisor inserts a confidential code into the document that acts as a signature, which signifies approval. Then the supervisor emails the document to the appropriate administrative staff, etc. We are an agency that should take EVERY effort to reduce our carbon footprint and we should not compromise our values because of inadequate, antiquated procedures such as the current timesheet process, specifically the reliance on huge quantities of paper. Electronic timesheets work, so let's refine the process before another year goes by.
- 119.** have one time sheet, have one processing manner for all time sheets, some go directly to the main frame, some come to Cheryl Metz, some go directly to Daniel Cox
- 120.** I believe that there is a way to stream line the process and make it more efficient.
- 121.** 1)Currently the salary will defer to the original acct # on the HR paperwork if the system "hits" a "bad number." It may help this problem if the supervisors complete the Personnel Transaction form, with the possible numbers to charge the employee's salary to HR, PRIOR to assigning the employee to use the numbers on the time sheet. 2)It might also be helpful to have a line where the employee could note why they worked overtime (the project name, the circumstance, etc), since the supervisor is supposed to approve overtime in advance...it might add a bit more legitimism to the overtime. (I'll send add'l comments)
- 122.** I believe that the timesheet process should be setup in the same manner as the new leave process. The employee fills out their timesheet, electronically sends to their supervisor for review and approval, then the supervisor approves and sends for processing. This way the supervisor can check to ensure not only is the account number(s) correct, but the leave the employee takes and the leave shown on the

timesheet are in accordance with each other. Currently, there is no check and balance audit process in place to ensure that the leave on the timesheets is in accordance with the leave the employee takes and submits an electronic leave form. If there was an audit on leave forms vs. leave shown on timesheets, I believe we would fail.

- 123.** Good Morning Bridget, This is probably more than you want but here it is. It seems like a web-based time sheet would be accessible to most staff from any computer (similar to e-leave), easy to update, and would eliminate the necessity of emailing the digital file to admin staff (assuming the data is logged into a database). May also facilitate the transfer of the data from the DNR to whomever processes the data into paychecks. The existing system could remain in place for those staff that don't have easy access to a computer and internet connection. I would also prefer to be able to work the entire payperiod and then fill out a time sheet rather than have to guess what I am going to do a few days in advance. I spend time in the field and don't always know when I will be back. Having to send an ammended time sheet wastes my time and, even more, wastes admin time to reprocess time sheets. In fact, I don't resend time sheets figuring that the time will average out. I am in an FTE postion but some of my pay comes directly from multiple grants. I also help manage grants and would like access to the time database for those grants that I manage (I don't need salary data, just time worked). I developed our own data base to import time sheet data but it is a cumbersome process and would be easier if I could tap into a central database. the final disadvantage to the current system is that the employee has to fill out his/her time sheet on the same computer if they want to keep their data together (can you tell that I am a data geek?). That is not a problem for me, I have a dedicated computer, but many of our staff don't have dedicated computers. This means that they have to find time on particular computers rather than go to any available computer. I have not seen the Access db set up but providing a web interface is easy. The login process would be more complex but I am assuming it can be integrated into the computer network/domain that we are all now using. Thanks, George (Riekerk) 953-9079.
- 124.** It would be helpful if the employee could sign their timesheet electronically, send their timesheet to their supervisor and obtain their signature electronically then forward to the processor of timesheets or better yet send for automatic processing. As a processor of several timesheets I find that oftentimes timesheets need amending because the employee does not fill out properly with the amount of time that was worked during that pay period--sometimes pay periods are 75 hours, 82.50 hours or 90 hours. A flag of some sort that could question them at the completion if they did not submit on their timesheet the number of hours for that pay period would be helpful. Consistent submittal of timesheets to the processor would be helpful--most come in Access format, some in Excel format.
- 125.** I have no problems submitting an electronic version to the correct person, but I do not see the need to also submit a hard copy. These hard copies end up in HR are not filed in any particular order and frankly I do not want my SS number sitting around in a box. It has come to my attention that occasionally we need to refer to past time sheets in order to fulfill Federal Grant matching time requirements and I do not keep a hard copy in my files. If I did that would provide just one more location that my SS number is available for theft. Since I collect my section's time sheets and e-mail them to whoever needs them, I keep that file containing my sections time sheets on my PC. If I need to refer to someone's timesheet to match funds I have them readily available. In fact, I will start deleting everyone's SS # from the electronic copy that I keep on my PC. Thanks for the opportunity to voice my opinion. Beth Mason
- 126.** The whole timesheet process was originally designed to have an employee fill out the timesheet in Excel and forward a text file to the employees supervisor who would import this text file into the access database. After the supervisor imported the textfiles for all of their employees they would use the access database to verify and approve those timesheets. When all timesheets were approved they would all be exported to another text file and this file would be forwarded to the Divison Business Manager for importing into their division database. All the division business manager had to do with these timesheets forwarded to them was import them all into their database and then export all timesheets to a single file for forwarding to the payroll office. For the business manager there was no approval or comparison of the hard copy/electronic timesheet necessary as the supervisor has already done this step. Apparently several divisions supervisors apparently decided their time is to valuable to be approving their employees timesheets, a bunch of BS if you ask me just a way I guess to boost their ego. The department now has a timesheet system in which a few divisions have employees directly forward electronic timesheets to the division business manager and the rest of the department follows the original design of the system with the supervisor actually doing the approval process. To improve the whole timesheet system the entire department should be made to follow the same procedures in the timesheet approval process.
- 127.** A lot of redundancy. . . can be streamlined. Avoid duplications

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

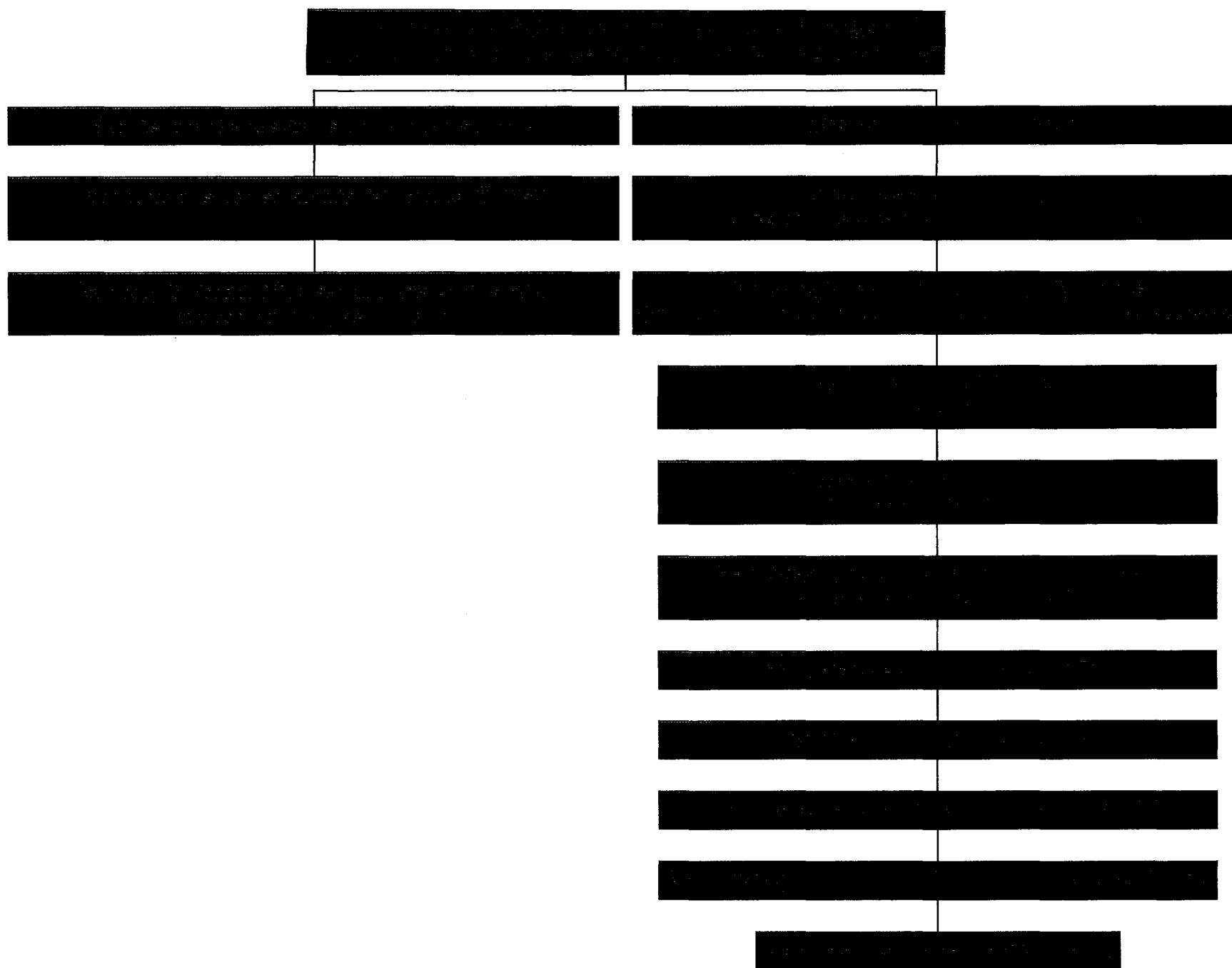
[REDACTED]

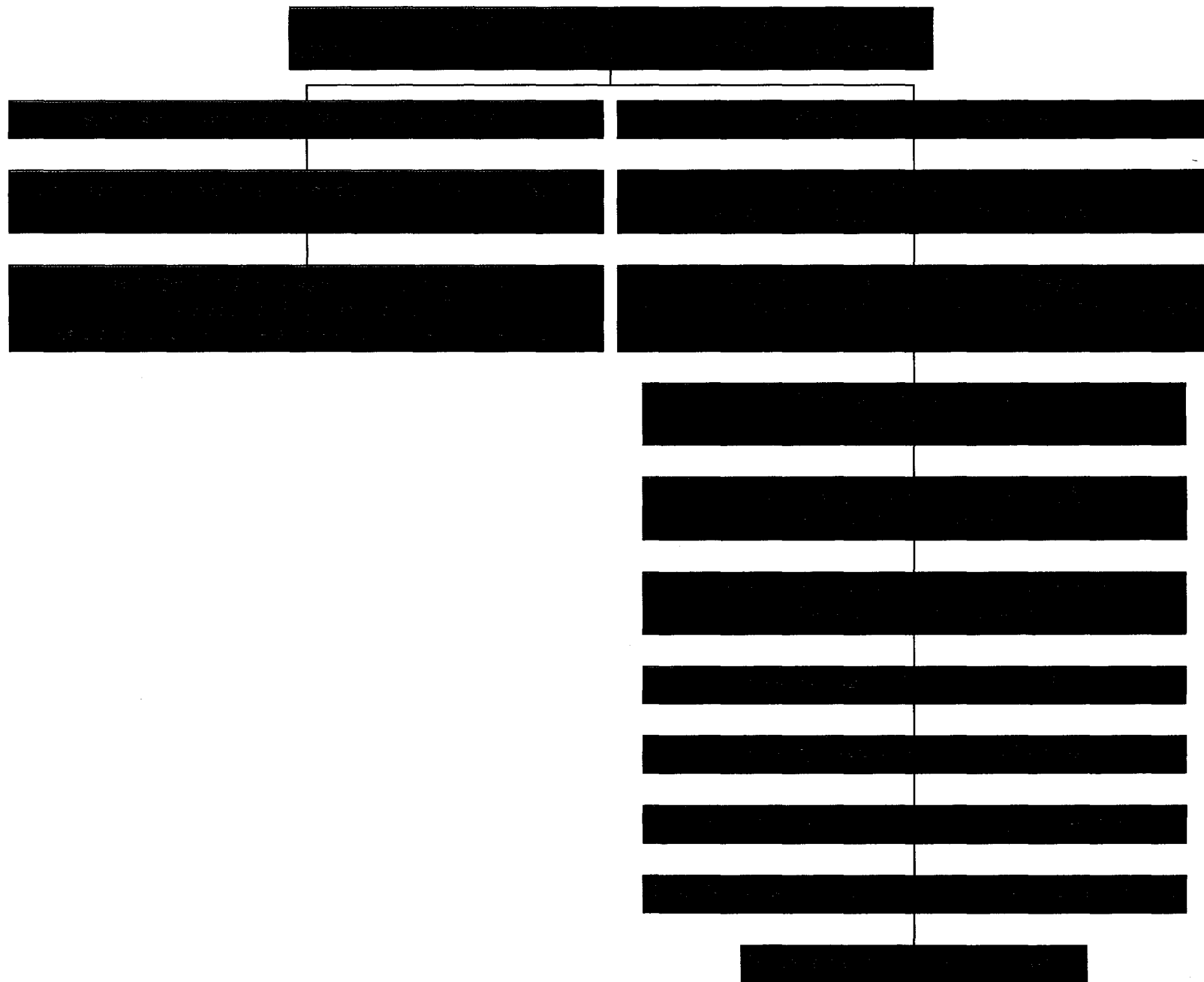
[illegible][illegible][illegible][illegible]

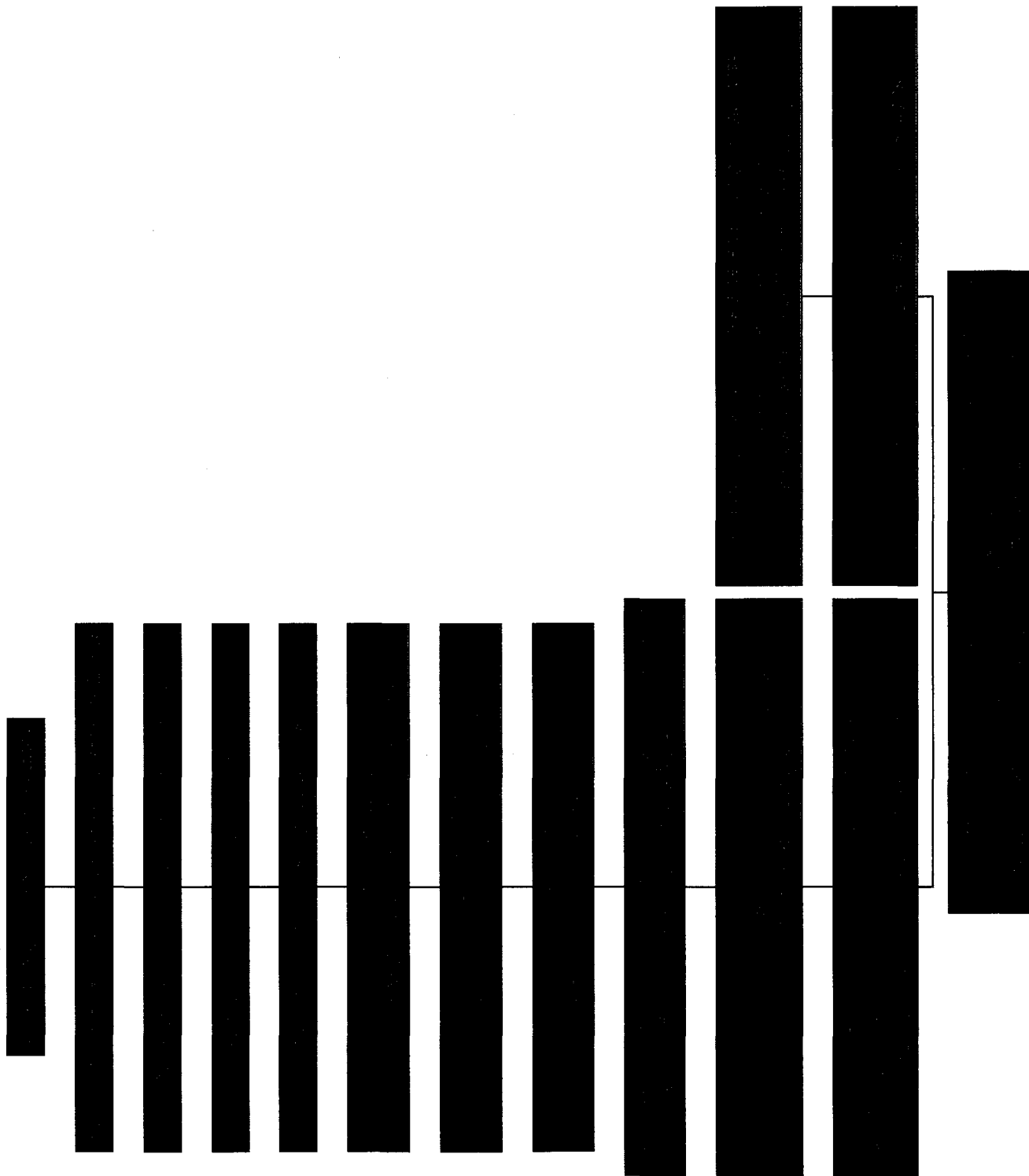
Case	β	γ	δ	ϵ	ζ	η	θ	ι	κ	λ	μ	ν	ξ	\omicron	π	ρ	σ	τ	υ	ϕ	χ	ψ	ω
1	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
2	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
3	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
4	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
5	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
6	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
7	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
8	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
9	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
10	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
11	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
12	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
13	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
14	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
15	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
16	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
17	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3
18	0.1	0.2	0.3	0.4</																			

[illegible]

Symbol	Definition
\mathcal{A}	the set of all admissible policies
\mathcal{B}	the set of all belief states
\mathcal{C}	the set of all configurations
\mathcal{D}	the set of all distributions
\mathcal{E}	the set of all events
\mathcal{F}	the set of all formulas
\mathcal{G}	the set of all goals
\mathcal{H}	the set of all hypotheses
\mathcal{I}	the set of all initial states
\mathcal{J}	the set of all joint actions
\mathcal{K}	the set of all knowledge bases
\mathcal{L}	the set of all languages
\mathcal{M}	the set of all models
\mathcal{N}	the set of all networks
\mathcal{O}	the set of all observations
\mathcal{P}	the set of all policies
\mathcal{Q}	the set of all queries
\mathcal{R}	the set of all relations
\mathcal{S}	the set of all states
\mathcal{T}	the set of all transitions
\mathcal{U}	the set of all utilities
\mathcal{V}	the set of all values
\mathcal{W}	the set of all weights
\mathcal{X}	the set of all variables
\mathcal{Y}	the set of all variables
\mathcal{Z}	the set of all variables







[illegible][illegible]

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[illegible]

1. *Chlorophyll a* (Chl *a*)

2. *Chlorophyll b* (Chl *b*)

3. *Chlorophyll c* (Chl *c*)

4. *Chlorophyll d* (Chl *d*)

5. *Chlorophyll e* (Chl *e*)

6. *Chlorophyll f* (Chl *f*)

7. *Chlorophyll g* (Chl *g*)

8. *Chlorophyll h* (Chl *h*)

9. *Chlorophyll i* (Chl *i*)

10. *Chlorophyll j* (Chl *j*)

11. *Chlorophyll k* (Chl *k*)

12. *Chlorophyll l* (Chl *l*)

13. *Chlorophyll m* (Chl *m*)

14. *Chlorophyll n* (Chl *n*)

15. *Chlorophyll o* (Chl *o*)

16. *Chlorophyll p* (Chl *p*)

17. *Chlorophyll q* (Chl *q*)

18. *Chlorophyll r* (Chl *r*)

19. *Chlorophyll s* (Chl *s*)

20. *Chlorophyll t* (Chl *t*)

21. *Chlorophyll u* (Chl *u*)

22. *Chlorophyll v* (Chl *v*)

23. *Chlorophyll w* (Chl *w*)

24. *Chlorophyll x* (Chl *x*)

25. *Chlorophyll y* (Chl *y*)

26. *Chlorophyll z* (Chl *z*)

27. *Chlorophyll aa* (Chl *aa*)

28. *Chlorophyll ab* (Chl *ab*)

29. *Chlorophyll ac* (Chl *ac*)

30. *Chlorophyll ad* (Chl *ad*)

31. *Chlorophyll ae* (Chl *ae*)

32. *Chlorophyll af* (Chl *af*)

33. *Chlorophyll ag* (Chl *ag*)

34. *Chlorophyll ah* (Chl *ah*)

35. *Chlorophyll ai* (Chl *ai*)

36. *Chlorophyll aj* (Chl *aj*)

37. *Chlorophyll ak* (Chl *ak*)

38. *Chlorophyll al* (Chl *al*)

39. *Chlorophyll am* (Chl *am*)

40. *Chlorophyll an* (Chl *an*)

41. *Chlorophyll ao* (Chl *ao*)

42. *Chlorophyll ap* (Chl *ap*)

43. *Chlorophyll aq* (Chl *aq*)

44. *Chlorophyll ar* (Chl *ar*)

45. *Chlorophyll as* (Chl *as*)

46. *Chlorophyll at* (Chl *at*)

47. *Chlorophyll au* (Chl *au*)

48. *Chlorophyll av* (Chl *av*)

49. *Chlorophyll aw* (Chl *aw*)

50. *Chlorophyll ax* (Chl *ax*)

51. *Chlorophyll ay* (Chl *ay*)

52. *Chlorophyll az* (Chl *az*)

53. *Chlorophyll a1* (Chl *a1*)

54. *Chlorophyll a2* (Chl *a2*)

55. *Chlorophyll a3* (Chl *a3*)

56. *Chlorophyll a4* (Chl *a4*)

57. *Chlorophyll a5* (Chl *a5*)

58. *Chlorophyll a6* (Chl *a6*)

59. *Chlorophyll a7* (Chl *a7*)

60. *Chlorophyll a8* (Chl *a8*)

61. *Chlorophyll a9* (Chl *a9*)

62. *Chlorophyll a10* (Chl *a10*)

63. *Chlorophyll a11* (Chl *a11*)

64. *Chlorophyll a12* (Chl *a12*)

65. *Chlorophyll a13* (Chl *a13*)

66. *Chlorophyll a14* (Chl *a14*)

67. *Chlorophyll a15* (Chl *a15*)

68. *Chlorophyll a16* (Chl *a16*)

69. *Chlorophyll a17* (Chl *a17*)

70. *Chlorophyll a18* (Chl *a18*)

71. *Chlorophyll a19* (Chl *a19*)

72. *Chlorophyll a20* (Chl *a20*)

73. *Chlorophyll a21* (Chl *a21*)

74. *Chlorophyll a22* (Chl *a22*)

75. *Chlorophyll a23* (Chl *a23*)

76. *Chlorophyll a24* (Chl *a24*)

77. *Chlorophyll a25* (Chl *a25*)

78. *Chlorophyll a26* (Chl *a26*)

79. *Chlorophyll a27* (Chl *a27*)

80. *Chlorophyll a28* (Chl *a28*)

81. *Chlorophyll a29* (Chl *a29*)

82. *Chlorophyll a30* (Chl *a30*)

83. *Chlorophyll a31* (Chl *a31*)

84. *Chlorophyll a32* (Chl *a32*)

85. *Chlorophyll a33* (Chl *a33*)

86. *Chlorophyll a34* (Chl *a34*)

87. *Chlorophyll a35* (Chl *a35*)

88. *Chlorophyll a36* (Chl *a36*)

89. *Chlorophyll a37* (Chl *a37*)

90. *Chlorophyll a38* (Chl *a38*)

91. *Chlorophyll a39* (Chl *a39*)

92. *Chlorophyll a40* (Chl *a40*)

93. *Chlorophyll a41* (Chl *a41*)

94. *Chlorophyll a42* (Chl *a42*)

95. *Chlorophyll a43* (Chl *a43*)

96. *Chlorophyll a44* (Chl *a44*)

97. *Chlorophyll a45* (Chl *a45*)

98. *Chlorophyll a46* (Chl *a46*)

99. *Chlorophyll a47* (Chl *a47*)

100. *Chlorophyll a48* (Chl *a48*)

101. *Chlorophyll a49* (Chl *a49*)

102. *Chlorophyll a50* (Chl *a50*)

103. *Chlorophyll a51* (Chl *a51*)

104. *Chlorophyll a52* (Chl *a52*)

105. *Chlorophyll a53* (Chl *a53*)

106. *Chlorophyll a54* (Chl *a54*)

107. *Chlorophyll a55* (Chl *a55*)

108. *Chlorophyll a56* (Chl *a56*)

109. *Chlorophyll a57* (Chl *a57*)

110. *Chlorophyll a58* (Chl *a58*)

111. *Chlorophyll a59* (Chl *a59*)

112. *Chlorophyll a60* (Chl *a60*)

113. *Chlorophyll a61* (Chl *a61*)

114. *Chlorophyll a62* (Chl *a62*)

115. *Chlorophyll a63* (Chl *a63*)

116. *Chlorophyll a64* (Chl *a64*)

117. *Chlorophyll a65* (Chl *a65*)

118. *Chlorophyll a66* (Chl *a66*)

119. *Chlorophyll a67* (Chl *a67*)

120. *Chlorophyll a68* (Chl *a68*)

121. *Chlorophyll a69* (Chl *a69*)

122. *Chlorophyll a70* (Chl *a70*)

123. *Chlorophyll a71* (Chl *a71*)

124. *Chlorophyll a72* (Chl *a72*)

125. *Chlorophyll a73* (Chl *a73*)

126. *Chlorophyll a74* (Chl *a74*)

127. *Chlorophyll a75* (Chl *a75*)

128. *Chlorophyll a76* (Chl *a76*)

129. *Chlorophyll a77* (Chl *a77*)

130. *Chlorophyll a78* (Chl *a78*)

131. *Chlorophyll a79* (Chl *a79*)

132. *Chlorophyll a80* (Chl *a80*)

133. *Chlorophyll a81* (Chl *a81*)

134. <

1. *What is the purpose of the study?*
 2. *What are the research questions or hypotheses?*
 3. *What is the study design?*
 4. *What is the sample size and how was it selected?*
 5. *What are the variables being studied?*
 6. *What are the data collection methods?*
 7. *What are the results of the study?*
 8. *What are the conclusions of the study?*
 9. *What are the limitations of the study?*
 10. *What are the implications of the study?*

[illegible]

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Arar and Collins (1971). The concentration of chlorophylls was expressed as $\mu\text{g mL}^{-1}$ of the sample.

[illegible][illegible][illegible][illegible]

1. *Chlorophyll a* and *Chlorophyll b* were determined by the method of Lichtenthaler and Whistler (1973). The *Chlorophyll a* and *Chlorophyll b* contents were expressed as $\mu\text{g/g}$ of fresh weight.

[illegible]

Timesheet Process				
Comments				
Deadlines	Training for Business Managers	Average	Social Security Number	Standardization
Time sheets are often due in Columbia prior to completion of the work week. Therefore, employees must fill out time sheets before they have actually worked the hours. This is impossible to do "by the book" when working around inclement weather, sick leave etc.	Training business managers up front on all information needed and everything contained on the payroll forms including what the coding means would be helpful.	I think that timesheets pass through too many different hands during the process. Also, actual hard copies of the timesheets are located in more than one area. Some timesheets are kept in files by the Business Managers, some are kept in the Payroll office, some in Human Resources and some in the Grants office. It seems to me that the payroll office would be the main recipient of timesheets, whether electronic or hard copies.	I just do it the way I always have-I don't have a clear picture of why. I DO NOT like having the ssn on the top. That is way too risky and I don't like it going around the building. I also have to submit a paper copy and an electronic copy. I would like to just submit one.	I AM CURRENTLY DOING MY TIME AND LAW ENFORCEMENT OFFICERS TIMES SHEETS FRO MY REGION. I WOULD LIKE TO SEE THEM THE SAME, I LIKE THE FORMAT WE ARE USING FOR THE OFFICERS.
Due to the nature of my job I am rarely in the office. When timesheets are due I must make a special trip to the office if my duties are in other counties. Could a time sheet be filled out and electronically signed from an internet location?	1)Currently the salary will defer to the original acct # on the HR paperwork if the system "hits" a "bad number." It may help this problem if the supervisors complete the Personnel Transaction form, with the possible numbers to charge the employee's salary to HR, PRIOR to assigning the employee to use the numbers on the time sheet. 2)It might also be helpful to have a line where the employee could note why they worked overtime (the project name, the circumstance, etc), since the supervisor is supposed to approve overtime in advance...it might add a bit more legitimism to the overtime. (I'll send add'l comments)	Timesheets are submitted through different channels throughout the agency. In addition, the originals are stored in various locations. I recommend that the storage of timesheets also be considered during this process.	No social security numbers on timesheet.	Too much paper is involved. When I first started the process was almost an "oh by the way" one. No firm direction was given about how to complete or what to complete on the sheet. How is it that divisions or even sections in the same agency have different policies regarding something that should be standard. Except for hourly employees, do the timesheets really matter since we added e-leave? It seems like a paperless system would be more efficient.

Deadlines	Training for Business Managers	Archive	Social Security Numbers	Standardization
<p>I find it a very inefficient process for field offices to get timesheets in to Columbia. You have to email a copy in and also send a signed hard copy in several days early to make it through the mail system by the deadline.</p>			<p>I think it is ridiculous that we have to put our entire SS# on our timesheet for everybody to see. It seems that the printed hardcopy could be made so that only the last 4 digits show, or none at all. Could we move away from paper copies all together? Perhaps the e-leave system could be merged with timesheet submittal so that employees fill out an electronic timesheet that is mailed to the supervisors for approval. Upon supervisor approval, the timesheet would then be electronically submitted to the proper authority.</p>	<p>There is too much duplication of effort. Faxing, mailing, e-mailing the same time sheet. Electronic signatures would eliminate some of the delays. Also a concern is the fact that work hours have to be estimated due to the time frame we have on getting time sheets turned in to Columbia office.</p>
<p>Several areas need to be addressed. At one time reminders were e-mailed about 2 days ahead of the day time sheets were due. These were very helpful in keeping the due date straight. For some reason these reminders simply stopped coming. Another issue is the strict time frame for hourly employees. I have employees who do not have access to a computer and are located over an hour from the office. In order for me to get a signed timesheet faxed in by the 10:00 am deadline, they either have to drive over an hour one way 2 times a month or mailed me a signed copy putting down hours in advance. The department is basically asking us to "lie" about hours worked at the end of the time period in order to get them in on the day they are requested. A little more flexibility in the time required for a hard copy is needed.</p>			<p>Remove social security numbers from timesheets</p>	<p>I believe it would be an improvement to have everyone use the same system. All timesheet entered into a central database. Each division could enter there timesheet and have there superior accept or take appropriate action. From that data base reports could be written to pull different information that may be needed at different times without extra work or extensive time added.</p>

Deadlines	Training for Business Managers	Archive	Social Security Numbers	Standardization
<p>The individual that gets them last is on a time schedule, therefore, the officers have to turn them in too quickly. Too much paperwork. Patty Eppley is working on something to make this easier and hopefully will allow us to do this online. Hopefully this new program will add the numbers itself, instead of us having to do it and sometimes make mistakes.</p>			<p>I don't have a problem with the timesheet process, the only thing I would change would be the removal of our SS# on our timesheets.</p>	<p>All time sheets should be processed the same way.</p>
<p>I only fill out a timesheet for state match to a federal grant. The only problem with timesheets that I have is the schedule by which they are due.</p>				<p>too cumbersome-must be a better way to do this than sheets passing through 2 or 3 sets of hands</p>

Deadlines	Training for Business Managers	Archive	Social Security Numbers	Standardization
<p>Often times employees have to guess at their time toward the end of a pay period. This is because field work has them out of the office when timesheets are due. Don't know how to improve on that, but it can be problem.</p>				<p>have one time sheet, have one processing manner for all time sheets, some go directly to the main frame, some come to Cheryl Metz, some go directly to Daniel Cox</p>
<p>I do not think they should be due on the last day of the pay period because it causes employees (particularly those in the field) to guess at when they will finish up on that day. Not all employees within the DNR work a set 8 to 5 schedule. Timesheets should be due on the first day of the following pay period.</p>				<p>The whole timesheet process was originally designed to have an employee fill out the timesheet in Excel and forward a text file to the employees supervisor who would import this text file into the access database. After the supervisor imported the textfiles for all of their employees they would use the access database to verify and approve those timesheets. When all timesheets were approved they would all be exported to another text file and this file would be forwarded to the Division Business Manager for importing into their division database. All the division business manager had to do with these timesheets forwarded to them was import them all into their database and then export all timesheets to a single file for forwarding to the payroll office. For the business manager there was no approval or comparison of the hard copy/electronic timesheet necessary as the supervisor has already done this step. Apparently several divisions supervisors apparently decided their time is to valuable to be approving their employees timesheets.</p>
<p>Timesheets should not be submitted prior to the end of the reporting (pay) period. Timesheets should show actual hours worked. If you submit them prior to the end of the period you are assuming or predicting what you will work, but it may not always be actual hours.</p>				<p>A lot of redundancy. . . can be streamlined. Avoid duplications</p>

Time sheets should be due AFTER the period is completed not before, currently we have to send in time sheets estimating our time. We have no real way of knowing if corrected time sheets are logged in. Also it would be nice to have a screen that tracks your "match" time so you can tell how many hours of match you have done for the Federal FY and how many are "due" It is labor intensive to track currently. Also it is not clear as to whether any of our AL etc is "match" on a project. Thanks Have a good day	Jenine B. Business Manager		Social Security Numbers	Samuel Taylor
<p>It is often a problem that timesheets are due before the reporting period is finished. Particularly for hourly employees or part time staff who are unsure of how many hours will be worked that day- especially for folks in the field. We don't always know how long it will take to complete our field work that day. Even full time employees are in a bind if they've already filled out a time sheet and then they get sick. I'm not even sure what we're supposed to do in that case. A time sheet should never be due before the hours have actually been worked. I know that there is processing involved, but since we have a two week delay in paychecks, this should allow plenty of time for processing if they were due the day the pay period.</p>				
<p>I'm not sure it can be improved. One thing that bothers me is that timesheets are due before the time is actually worked, on some occasions a few days before. If an emergency or illness comes up in the meantime, an appended timesheet must be submitted, electronically and in hard copy. This can be a pain for both the submitter and the processor. Another suggestion: since our leave request/approval system and our timesheets are both electronic, could our approved leave be automatically entered into our timesheets? Perhaps the entries could have a check function (I don't know the proper terms for these ideas) so that the submitter must click the entry as a way of double-checking/approving the entry. This might cut down on mistakes.</p>				

<p>It makes no sense to me to be required to submit the timesheet the morning of the last day you are reporting (i.e., the timesheet was due at 10:00 a.m. on Nov. 1, and if the employee unexpectedly has to use leave later on that day, they have to submit an amended timesheet).</p>				
<p>I do not understand why timesheets must be completed the day before the pay-period ends. Employees must estimate hours they will work. Why do these same sheets that are submitted electronically, have to be faxed/mailed to the Columbia Office? If they need signatures, the originals can be kept on file by the supervisor, and provided later. In defining leave, the most common AL, SL, FSL, etc. should be moved to the top of the list, instead of scrolling down. I realize they are in ABC order, but it could be changed. When an employee takes a full pay-period of leave, you must delete the "name" of the account and account number. Then, one month later, when they do work, you must add that info back; if you can remember what it was.</p>				
<p>A consistent day of submittal. Other than the 2nd or 16th falling on a weekend, why are timesheets requested to be submitted the day before the end of the time period? Should they be submitted by 10:00 a.m. on the last day of the time period or the day prior? Other than hourly employees, why the urgency to submit timesheets for salaried personnel (i.e. by 10:00 a.m.)? If they are Exempt or Non-Exempt and work on the same account consistently, isn't their paycheck always the same (i.e. yearly salary divided by 24 pay periods) regardless of if a timesheet is submitted by 10:00 a.m.? I do however appreciate the fact that only the hourly employees' timesheets need to be faxed to Columbia. It seems redundant to submit an electronic timesheet, mail a hard copy and fax copies. If the supervisor puts the timesheet through the supervisor database and "approves" those timesheets, why submit hard copies at all? It would seem that only hourly employee's are actually paid from the timesheet hours submitted. Why are some timesheets submitted to a supervisor and pu</p>				

Deadlines	Training for Business Managers	Archive	Social Security Numbers	Standardization
Time sheets need to be submitted and grouped by section. For the most part this is already happening but to many time sheets come in after the deadline with no way to tell by looking at the time sheet what division or section its from. We have recommended in the past that all time sheets be submitted with a coversheet giving basic information regarding division, PP, section and names. Also I might recommend the time sheet be revised to include the employee's division and section.				
timesheets are always due before the pay period is over. In addition, in order for everyone (employee and supervisor) to sign the timesheet, it needs to be completed even earlier. The last few days of the timesheet are guestimates at best. This really makes a difference for the hourly people.				

Procedures	Time Consuming	Account Number Changes	IT Support on System	Other
I just do it the way I always have-I don't have a clear picture of why. I DO NOT like having the ssn on the top. That is way too risky and I don't like it going around the building. I also have to submit a paper copy and an electronic copy. I would like to just submit one.	Timesheets are huge complaint from staff. The process seems to take a huge amount of time for the folks who are processing them. Anything that is more user-friendly would be greatly appreciated.	The only problem we have had is not being notified to change account numbers on the timesheet when grants roll over and a new account number is assigned. Sometimes we have had to go back a month or two and resubmit corrected timesheets.	While I often have trouble getting the "Save and Print" Macros to work (I usually print and save through the regular menu)I do think that the system is easy when the software functions properly.	There is always room for improvement!
I am paid completely from one grant account. It would be helpful to not have to submit the timesheet because I work 37.5 hours per work from one account.	Currently the process is confusing to the user and is very time consuming. I supervise 5 people and I have to verify e-leave before I check each employees time. Somehow you would think these could be connected. I cannot imagine what people do that supervise more than 5 people. I spend at least 45 minutes every pay period on verifying time sheets.	Account codes should be made available prior to the start of any new projects where time must be kept separate from the standard account code.	More computer friendly	Complete waste of time for a salary employee!

Procedures	Time Consuming	Account Number Changes	IT Support on System	Other
I do not process timesheets now but I have in the past. I believe the time sheets should be submitted only by the employee's supervisor. The supervisor is the only one that can verify if the time submitted is true and written correctly.	We tend to over work this process with having to cross reference E leave, have them sign each timesheets, key the data in one program and then transfer it to another database program then email that format to payroll. Thanks for trying to streamline this process.		There are problems with the format on the 28 day time sheet. The current format on the web page will not allow officers to put the correct Federal and State account numbers on the form. Patty Epley has corrected some of these problems, but there are still problems with the electronic time sheet that is available on the web page.	The timesheet process works fine "as is" on my submitter's end. There may be improvements unknown to me that could be made in the process as a whole though.
I found the whole process more complicated than it needs to be, primarily because there was not a lot of instruction when I started 1.5 years ago. There was no consistancy. No two offices used the same submission process, even within the same Region of the same Section. I also found that, as a Biologist, I work more hours than is accepted under FLSA. I did not feel right fudging my timesheet, i.e. not reporting the all hours I work, or saying I worked a day I actually took off (to compensate myself for an extra long week since I don't get Comp Time either). I couldn't get a straight answer on if that was okay, so now I fill out a Quarterly Assurance form (I'm on a Federal Grant). I still don't know if it is the right way to do it, but it is the easiest and least complicated. As for those that do fill out timesheets, there could be an easier way of logging hours electronically (and totally eliminate the "steet" part of timesheets). Though I realize that not every DNR staff member has computer access or could be successfully trained to report			Forms still need work. Some lines bold, others not but no logic. Separation between project account lines need to be bolder. The time sheets should be able to be submitted without all the extra conversion steps.	There is room for improvement in all processes.

Procedures	Time Consuming	Account Number Changes	IT Support System	Other
<p>I only say yes for two technical-related reasons: 1) for the time sheet file to work. I have to enable macros in Excel, then when I try to close the timesheet after having saved and printed it, it closes every other excel spreadsheet I have open (admittedly this is a curse of the hell-spawn of Microsoft, but maybe some savvy DNR computer geek can fix this), 2) the email address we send the timesheets to now starts with "MRD", the result is that Outlook users type these three letters into the address bar and Outlook completes the address for us...unfortunately, it often completes it incorrectly and several times people have not noticed it and have mailed timesheets to "all-MRD", in other words, every employee of the Marine Resources Division gets a copy of that person's timesheet. Best of luck with your survey.</p>			<p>When someone is on annual leave (or sick leave) for a full pay period (one timesheet), it would be easier if we didn't have to delete account numbers before submitting the time sheet. It won't accept a timesheet with only leave on it and no hours worked.</p>	<p>I do not have a problem with the current timesheet process, but I suppose the current procedures can be improved upon in some way, as is the case with most processes or procedures.</p>
<p>I think there are too many people involved in the process. I think it's wasteful to have numerous liasons in each division. There should just be one person in each division that collects and processes the time sheets.</p>				<p>Everything can be improved if you try.</p>

Procedures	Time Consuming	Account Number Changes	IT Support on System	Other
stream line the process.....				Ensure all field staff are provided practical access to a computer in order to complete his/her own electronic time sheet and reduce/eliminate the continued process of employees completing paper time sheets, mailing them to another employee who in turn must complete/submit someone else's time.
There has been considerable confusion about the correct address to email the timesheets to. Perhaps the confusion could be alleviated by using a direct entry online database.				I believe that if you are exempt and are paid off a single funding source, you should not have to worry about doing a timesheet. It is a waste of my time and yours!
Detailed, step-by-step instructions would be very helpful. The process using the computer form is very complicated and a set of instructions would be helpful for those of us who are not very computer literate.				I haven't an idea how, but just remember when I did complete the time sheets they were more of a nuisance than anything.

Source	Time Consuming	Additional Information/Comments	Supporting System	Other
				Clarify exempt compliance and make supervisors deal with time * 40 h in a more consistent way. The questions above are often not yes/no
				confusion over how to match time to federal or other types of grants. aid with this subject will help since the majority of staff work under grant funds
				As some things can always be improved and/or changed the present timesheet process seems to work fine for me at this time. THANKS PS The E-Leave system also works well for me.

				ELIMATE THE TIME SHEET ALL TOGETHER SINCE THE LE OFFICERS ARE SALERIED EMPLOYEES.
				Maybe (from someone who does not deal w/timesheets) 1. exempt employees do not need to receive most time-sheet related notices if they have no resposibility for nonexempt employees, ie., a few minutes less per month would be spent reading and culling irrelavent emails (probably a minor point). 2. Regards
				It doesn't really make sense why we need to do a timesheet when every week is the same. If we are not allowed to claim overtime there isn't really a point to filling it out. If that cannot be changed, the process itself from the standpoint of someone filling it out and handing it in to be processed is not that difficult.

Procedures	Time Consuming	Account Number Changes	IT Support on System	Other
				I am not receiving my "time and a half" when I go over on my hours. The computer program only gives me straight time. P.S. No where on your survey did you ask what type of time sheet you complete, (i.e. 28 day cycle timesheet versus 2 week time sheet.)
				It's working fine for me. Not broke don't fix it.
				Anything can be improved, however this is already a fairly simple process. Short of not having to submit one, I can think of no improvement over the current process.
				I believe that there is a way to stream line the process and make it more efficient.

Timesheet Process Survey

Comments

Electronic					
I think it would be more efficient if the process had less steps with the cutting and pasting and e-mailing. It would be nice if we could just go to one area and process all the sheets without having to cut, paste, and e-mail.	We have too many processes to do. 1st you enter your timesheet, next it's send to your supervisor for approval and then it's given back to you for your signature. I think the signature should be done electronically. This will save time and paper.	We submit both electronic and paper formats, and this seems to be a redundancy. Eliminating paper formats would be an answer, especially because it contains our SSN which is a personal identity risk.	Timesheets should be done online and integrated into our agency's Oracle database. Creating a "paper trail" is really pointless these days. Lets just fill out an online form and click submit. Supervisors can then approve the form just like the current leave system. Actually, many more of our agency's processes should be handled this way. Those without access to a computer should coordinate with their supervisors and AAs to get the information entered.	An online tool should be developed that eliminates the need for timesheet users to use Excel to complete timesheets, then search for, attach, and email a timesheet file. This, and the MS Access application for supervisors should all be part of the integrated tool that interacts with a centralized database so emailing timesheets, and the requirement of using Excel and Access can be eliminated entirely. The ideal interface for such a tool would be a web standards-based application that users could use in a web browser of their choice (like eLeave currently does).	It would be nice if there was a submission button on the form instead of having to save it and email it as an attachment.
If supervisors and business managers could read the electronic version of the timesheet then we could eliminate the need for a hard copy to be submitted on payday. Currently, we are providing an electronic copy, a printed copy (on payday) and a signed copy of the same timesheet. This is EXTREMELY inefficient. Also, we should eliminate the need for hard copies by having electron signatures. Make this a one step process. Thanks.	Paper + electronic gets cumbersome, especially if timesheet needs to be amended. Perhaps supervisor could approve online.	If an electronic timesheet is submitted, why submit a paper version as well?	Make it totally electronic with electronic signatures. No need to print and submit hard copies.	My suggestion would be to set the timesheet system up similar to the e-leave system. The employee completes the timesheet and submits to management for approval, and it is channeled through the system accordingly. Paper copies would be optional, only if an employee opted to keep a hardcopy for his/her personal files or use would it be printed. There would need to be stiff consequences for employees not submitting on time, this would encourage on-time submission. Thanks, Barbara We should be able to submit the timesheets in one form or the other. It seems like duplicate work to submit an electronic version, then a hardcopy. Initially, I thought the electronic version was to replace hardcopy submission. I am the administrative assistant in our section, and we are charged to collect e-mailed copies and submit, then have management sign hardcopies and submit, and the employee is still required to submit an electronic copy.	We currently have to turn in a "hard copy" in addition to e-mailing a time-sheet. It would be more efficient to skip the printed version (at least for salaried or exempt employees).

Electronic

<p>The process needs to be more streamlined and there needs to be IT support for the program. The program was written years ago and when the programmer left - there was no one who understood how the program worked nor how to correct the problems (they did try to figure it out but since they didn't write the program it was difficult to decipher). Often the timesheets don't get processed correctly or there are glitches that keep it from reaching it's final destination (payroll office) because it has to be filtered through too many people along the way. Someone should check with other large agencies with federal funds to see how they handle timesheets and work accountability - this process is very complicated.</p>	<p>LAW ENFORCEMENT TIME SHEETS CANNOT BE TRANSFERRED ELECTRONICALLY. IT WOULD BE EASIER IF THEY COULD BE SIGNED BY SUPERVISOR ONLINE AND SENT TO REGION OFFICE.</p>	<p>I believe that there should be some way to electronically sign our timesheets so that we don't have to turn in a paper copy as well as an electronic one. Having to turn in a paper timesheet seems like it is undermining the point of filling out electronic ones. Also, the electronic system is difficult to understand. Nobody ever showed me the correct way to send it and I only found out two years after I started working at DNR that I was doing it wrong! I'm not totally sure I know how to do it now or not.</p>	<p>Without a doubt, these timesheets should be electronic - the same as the e-leave system. The current method of timesheets is extremely time consuming, these timesheets must go through entirely to many people, there is no need to have so much paper when it could be done electronically and I feel it would greatly reduce errors, time, paper and stress, while at the same time improve efficiency, ability to quickly make changes and retrieve information quicker.</p>	<p>There is no connection between e-leave and timesheets to verify correct information was submitted.</p>	<p>The process of submitting time sheets and leave requests should be integrated. At present people submit leave requests through eleave then a couple weeks later record leave on a separate timesheet resulting in inconsistencies that someone must then resolve. This aspect of the system wastes much time and results in auditing problems.</p>
<p>electronic signatures</p>	<p>More automated.</p>	<p>eliminate the paper work and do it all electronically, using secure passwords to ensure authenticity</p>	<p>There are some timesheet associated processes which should be automated. For example, I don't believe the match is automatically captured, I think someone does that manually. Also the account out of which grant supported personnel should be paid does not appear to be automatic (since there are frequent errors in which account it is charged to).</p>	<p>It makes no sense that employees have to submit both electronic and hardcopies of their timesheets. I understand that a signature is required on the timesheets, but I see no reason why the agency can't use electronic signatures.</p>	<p>Why can't this information be processed from the eLeave system so that the employee doesn't have to submit two separate things for the same reason.</p>
<p>Electronic</p>					
<p>1)The leave system needs to be integrated somehow with the timesheet. Currently the employee must remember to log leave taken earlier in the month on their timesheet. If the system automatically linked this information, it would eliminate instances where leave is forgotten or the amount is misremembered. 2)The ability to submit timesheets the day after the time window would greatly reduce the amount of guessing and/or revised timesheets that must be generated due to the current system of submitting a timesheet that ends 6 hours after the submission deadline. In the case of timesheets that are due on Friday before a Monday holiday, employees may be estimating at least 90 hours ahead of the end of the time period. This is simple if weekends and holidays are never worked. However, much of our workforce does work weekends and holidays; this greatly complicates things. Totally unrelated: I am not sure that I understand the point of taking time to submit and process timesheets for exempt employees. No one cares if you regularly work 20 hours of overtime and someone who works less than</p>	<p>Time sheet should be connected to the Chart of Accounts so that if an employee enters an invalid account number, the time sheet will not accept the entry. Since most of the DNR staff are science based, account numbers don't register on their radar. Putting the responsibility for correct account numbers at this level just doesn't work. Often the employee is in the field by the time that Danielle learns that a time sheet has kicked out of the system and then it becomes the Business Manager's problem.</p>	<p>From the field we submit a fax copy, a electronic copy, and remit a hard copy for each pay period. This is very time consuming. Could we consolidate or delete some of the copies?</p>	<p>If there was some sort of electronic signature, that would do away with having to sign a paper copy, that would make it easier</p>	<p>Why do we need both hard copy and email? One should be enough, preferably the email.</p>	<p>Since we already submit leave requests to the State HR system, it could be used to figure our timesheets. If that is not possible, then only non-working hours need be submitted. In other words, if one works a 37.5 week, no timesheet should need to be submitted. Supervisors could establish accounts with business managers that are to be debited.</p>

I think it's crazy to have to do a timesheet when we are on the e-leave system.	It would be great if when I typed in a social security number that persons name and hours they usually worked popped into the timesheet. Then, all I would have to do is change the hours on the day an employee did not work or worked a half day. Also, if the account #, project name, year, month, exempt status, etc. were already listed and saved within the form it would be better. I understand that SSN are very private so instead of entering the SSN and the employees info. be pulled in, you could make it where when the employees name is entered the other info pulls into the form, or simpler yet, have each employees time sheet saved in the computer, (accessed by a username and password, if need be) allowing the admin. assistant to just change the hours if the employee took off a day and enter the employees SSN. If things are saved within the form it would streamline the procedure. It is not too much to ask that all of this info. be entered in everytime, but when you are processing 8-9 time sheets it becomes very time consuming. To date, the best change	integrate with E-Leave	I think that submitting both a hardcopy and an electronic copy of timesheets is redundant.	In this technologically advanced era, there is no need for submission of electronic and hardcopy paper time sheets. It is a waste of time, duplication of effort and serves no purpose. Electronic signatures can be developed and placed on the electronic time sheets by the respective employee.	Use electronic signatures to eliminate the need to mail the forms. They could be emailed then.
Electronic					
Accepting electronic signatures would take a few of the steps out and make processing more efficient. We now have to send the flat file electronically, save it as an excel file and email that one, sign an original, snail mail that one, and of course, keep a copy for our own file. Twice a month that really adds up!	It is unnecessary to require paper timesheets. This is a waste of money and time. Have the electronic copy sent to the supervisor for review and then submitted from their account (this would be like a signature). My supervisor never even looked at my timesheet. It was also a frustrating farce to turn in 37.5 hours when in fact I work upwards of 50 to 60 hours a week at times.	Perhaps with an online form (maybe an Access form) that is completed then sent to our supervisors for approval. USC has something like that called ITAMS. It's not the most user friendly interface, but it's easy enough.	Integration with leave slips and notification of supervisors when there is a discrepancy.	Weekends should be automatically blocked out. There should be examples of what quarter hours are for employees. They seem to have difficulties figuring out how much they need to put for leave. Another thing is that when employees are paid out of multiple accounts, it is very difficult to figure out their time if they were gone for part of the day.	Do away with the paper copy.

<p>I have no problems submitting an electronic version to the correct person, but I do not see the need to also submit a hard copy. These hard copies end up in HR are not filed in any particular order and frankly I do not want my SS number sitting around in a box. It has come to my attention that occasionally we need to refer to past time sheets in order to fulfill Federal Grant matching time requirements and I do not keep a hard copy in my files. If I did that would provide just one more location that my SS number is available for theft. Since I collect my section's time sheets and e-mail them to whoever needs them, I keep that file containing my sections time sheets on my PC. If I need to refer to someone's timesheet to match funds I have them readily available. In fact, I will start deleting everyone's SS # from the electronic copy that I keep on my PC. Thanks for the opportunity to voice my opinion. Beth Mason</p>	<p>I think it is ridiculous that we have to put our entire SS# on our timesheet for everybody to see. It seems that the printed hardcopy could be made so that only the last 4 digits show, or none at all. Could we move away from paper copies all together? Perhaps the e-leave system could be merged with timesheet submittal so that employees fill out an electronic timesheet that is mailed to the supervisors for approval. Upon supervisor approval, the timesheet would then be electronically submitted to the proper authority.</p>	<p>Sending an electric copy, faxing a copy, and then mailing a hard copy seems excessive and time consuming.</p>	<p>I only use the process occasionally, when I put time in on projects outside of my regular duties. It seems that a more efficient back-up system could be developed so that only digital copies would be necessary. There are still huge numbers of hard copies being mailed and stored. Cost savings should be fairly good.</p>	<p>All On Line... No more Paper</p>	<p>Using paper copies should be totally eliminated and all aspects of the timesheet process should be handled electronically. It could work like this: The employee completes and then emails the electronic timesheet to their supervisor for approval. After reviewing, the supervisor inserts a confidential code into the document that acts as a signature, which signifies approval. Then the supervisor emails the document to the appropriate administrative staff, etc. We are an agency that should take EVERY effort to reduce our carbon footprint and we should not compromise our values because of inadequate, antiquated procedures such as the current timesheet process, specifically the reliance on huge quantities of paper. Electronic timesheets work, so let's refine the process before another year goes by.</p>
Electronic					
<p>It would be helpful if the employee could sign their timesheet electronically, send their timesheet to their supervisor and obtain their signature electronically then forward to the processor of timesheets or better yet send for automatic processing. As a processor of several timesheets I find that oftentimes timesheets need amending because the employee does not fill out properly with the amount of time that was worked during that pay period--sometimes pay periods are 75 hours, 82.50 hours or 90 hours. A flag of some sort that could question them at the completion if they did not submit on their timesheet the number of hours for that pay period would be helpful. Consistent submittal of timesheets to the processor would be helpful--most come in Access format, some in Excel format.</p>	<p>It is redundant to complete an electronic copy and also send in a paper copy. It is also not cost effective for the same reason.</p>	<p>We need lap tops and internet service to do time sheets, reports, and stay in touch. I have to hand write time sheets, fax a copy and then drive an hour each way to turn in the original. I don't have my own computer and we need them in our trucks.</p>	<p>I would like to see DNR move to a paperless timesheet I feel that it is redundant to submit an electronic and a paper copy every other week. At the very least think of the reduction in paper costs and the environmental impact of not using paper.</p>	<p>There is too much duplication of effort. Faxing, mailing, e-mailing the same time sheet. Electronic signatures would eliminate some of the delays. Also a concern is the fact that work hours have to be estimated due to the time frame we have on getting time sheets turned in to Columbia office.</p>	<p>I believe that the timesheet process should be setup in the same manner as the new leave process. The employee fills out their timesheet, electronically sends to their supervisor for review and approval, then the supervisor approves and sends for processing. This way the supervisor can check to ensure not only is the account number(s) correct, but the leave the employee takes and the leave shown on the timesheet are in accordance with each other. Currently, there is no check and balance audit process in place to ensure that the leave on the timesheets is in accordance with the leave the employee takes and submits an electronic leave form. If there was an audit on leave forms vs. leave shown on timesheets, I believe we would fail.</p>

<p>Good Morning Bridget, This is probably more than you want but here it is. It seems like a web-based time sheet would be accessible to most staff from any computer (similar to e-leave), easy to update, and would eliminate the necessity of emailing the digital file to admin staff (assuming the data is logged into a database). May also facilitate the transfer of the data from the DNR to whomever processes the data into paychecks. The existing system could remain in place for those staff that don't have easy access to a computer and internet connection. I would also prefer to be able to work the entire payperiod and then fill out a time sheet rather than have to guess what I am going to do a few days in advance. I spend time in the field and don't always know when I will be back. Having to send an ammended time sheet wastes my time and, even more, wastes admin time to reprocess time sheets. In fact, I don't resend time sheets figuring that the time will average out. I am in an FTE postion but some of my pay comes directly from multiple grants. I also help manage grants and wou</p>	<p>I believe it would be an improvement to have everyone use the same system. All timesheet entered into a central database. Each division could enter there timesheet and have there superior accept or take appropriate action. From that data base reports could be written to pull different information that may be needed at different times without extra work or extensive time added.</p>				

Draft Opportunities to Improve (not all inclusive)**Standardization**

- Identify Liaisons and backups in every division
- Limit the amount of liaisons (currently approx. 14)
- Identify staff with no access to computers and assign an admin. asst. as liaison
- Make standard workflow available to all staff
- Identify due dates and develop a calendar or yearly due date list accessible to staff via Intranet, which is based on the Comptroller General's deadlines
- Archive and filing in a central location
- Staff use proper names as it appears in the accounting system-no nicknames

Automation

Consider this example:

Lowest Possible Projections in Indirect Costs

The cost to have licenses for the existing accounting system, e-leave integrated with timesheets, or to develop a new timesheet system is more economical compared to the indirect costs incurred each pay period each month.

For example, if approximately 500 people complete timesheets at 15 minutes per pay period twice a month, which equals 30 minutes per month at an average pay rate of \$10.00 per hour, which is \$5.00 per every 30 minutes. See the following equation.

500 (staff) x \$5.00 equals \$2500 (per month) x 12 (months) equals a total of \$30,000.

The indirect productivity gains will equal or exceed the initial costs in the first year alone based on minimal salary projections.

- Prevents user errors
- Reduces processing time
- Databases Integrated (with leave system and accounting system)
- Electronic Signatures
- Make timesheet templates more user friendly and easier to manipulate to capture all information needed
- Employer identification numbers
- New State Accounting System
- Reduce journal entries

11/14/2006

Accountability

- Oversee staff accountability to insure compliance
- Staff must complete all fields on timesheets

- Staff must complete a timesheet whether hours were actually worked or not. By doing so, it assists payroll in identifying if a check should be issued
- Require all staff to type their own timesheets or have their division liaison to complete

Training

- Training for liaisons, business managers, staff, and newly hired staff
- During orientation, make FLSA status and salary information available to new staff (PD30 screen) along with timesheet procedures

Written Procedures

- Make procedures available via Intranet

Communication

- Ongoing communication is a must
- Technology Development support on existing timesheet applications

Avoid duplication

- Eliminate fax copies except for hourly
- Streamline workflows

Other

- Early identification of salary account information
- Timely submission of personnel transaction requests

11/14/2006

S.C. DEPARTMENT OF NATURAL RESOURCES
EMPLOYEE TIME REPORT

Name: _____ SSN: _____ - _____ - _____

Timesheet from _____ through _____ Type Employment ☐ E=Exempt N=Non-Exempt

Account #	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Coded Time								
Coded Time								
Weekly Totals								

Account #	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Coded Time								
Coded Time								
Weekly Totals								

Account #	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Coded Time								
Coded Time								
Weekly Totals								

Account #	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Coded Time								
Coded Time								
Weekly Totals								

Total Hours Worked _____	Total Coded Time _____	Total Hours _____	Weekly Totals _____
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Note: Enter hours with two decimal points (Ex: 7.50, 2.00). Place codes listed below beside hours:

A – Annual S – Sick K – Family Sick F – Funeral L – Leave Without Pay
M – Military H – Holiday C – Comp Leave J – Jury Duty/Court E – Emergency

I certify that signing below this is an accurate accounting of my time worked for the period as indicated above. Falsification of time worked is in violation of agency and federal regulations (FLSA) and could result in disciplinary action.

Employee Signature _____ Date _____

I certify that I know the above time is an accurate accounting of time worked for this employee who is under my supervision.

Supervisor Signature _____ Date _____

Human Resources Use Only

Compensatory Time Earned _____

Subject:

Page 1 of 1

Subject: Meeting to discuss timesheets for CPM Project
Location: Rm. 135

Start: Mon 11/6/2006 10:00 AM
End: Mon 11/6/2006 11:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Required Attendees: Bridget Leslie; Jim Scurry; Greg Miley

Optional Attendees: Terri McGee
Jim and Greg,

This is a request to meet and gain insightful information on the existing templates used for timesheets, CAT, Supervisor database through Access, and Excel templates (T&A Folder). If this meeting time is conducive to your schedule, please accept this meeting invite. If not, please let me know when will be a good time to meet with you.

Thanks,

Bridget

Appendix J

Subject: Timesheet Process Meeting
Location: Dennis Building Board Room- Rm. 335

Start: Tue 11/14/2006 12:00 AM
End: Wed 11/15/2006 12:00 AM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Required Attendees: Bridget Leslie; Donna Maples; Jessica Clements; Deborah Miller; Christine Martinelli; Danielle Cox; James Jackson; RoseMarie Scheibler; Cheryl Metz; Tom Swaynham; Diane VanDerHoff; Maureen Lane; Radio Room Console; Marilyn Jumper; Bethann Herbert; Terri McGee; Danielle Cox; Charles Myers; Don Winslow; Tammy Orr; Joanne Cash; Jim Scurry; Greg Miley

Optional Attendees: Shirley Clark; Brian Wisner; Florence Baird; Gail Fuller; Sabrina Wright; Barbara Hasty; Cathy Bazzel; Kim Hughes; Charlene Crawford; Jenni Chrislip; Bob Joyner; Diane Thomas; Sammie Haithcock; Freddy Vang; Carole Collins; Robert H. Boyles, Jr.; Breck Carmichael; Alvin Taylor; John Watford; John Frampton

As promised, please find a meeting invite to share current workflow processes among divisions, provide state and Federal regulations as it pertains to timesheets, and to discuss any suggestions or problems. This morning, you received an email with a timesheet process survey sent to the entire agency. Due to unforeseen circumstances, all of the results of the survey may not be analyzed by this proposed meeting date. However, streamlining the workflows will be a great start to improve the process.

If you are unable to physically attend this meeting, we can set up a teleconference. I will need to know by Monday, November 6, 2006, in order to set up a teleconference. Also, after talking/meeting with most of you, I've discovered that a great number of you only attach multiple timesheets into an email and send it to the timesheet email addresses or to Danielle Cox in payroll. However, a liaison is one who gathers, uploads, processes through CAT or MS Access, and/or emails the flat file to payroll.

Please find a proposed Agenda below, and as for the length of this meeting it may last until lunch time. If the need warrants additional time, we will extend the meeting to 4:00 p.m. with lunch at noon and resuming at 1:00 p.m. So, please be prepared either way. The meeting will be located in the Dennis' Building Board Room, Room 335 beginning at 9:30 a.m. Also, if you will need parking for that day, please let me know by Monday as well.

Agenda

Purpose

Review state and Federal Regulations

Present Workflows

Present Some Recommendations to Streamline Existing Workflows

Questions/Suggestions/Discussion

Thanks,

Bridget C. Leslie

2006	November
Year	Month

Rel. 021803BK

Employee Name

SSN



By signing below I certify that this is an accurate accounting of my time worked for the indicated pay period.

Type Employment

Conservation Officer

1

11

E=Exempt N=Non-Exempt H=Hourly/Temporary

Y=Yes N=No

Employee Signature

Supervisor Signature

[illegible]

NOTE: Time must be shown for actual hours worked or leave taken.

Budget Codes:

NOTE: Please verify account numbers with current chart of accounts

Coded Leave: A=Annual, C=Comp, E=Emergency, F=Funeral, H=Holiday, J=Jury Duty, K=Family Sick, L=LWOP, M=Military, S=Sick

Glossary

Fair Labor Standards Act Status: Exempt or Non-exempt

Flat File: A compressed file containing all timesheet data

Journal Entry: A voucher used to correct errors made in recording STARS transaction.

Liaison: One who gathers and submits more than three (3) electronic timesheets to payroll.

Temporary Grant Positions: Non-full-time FTE positions established to perform work directly associated with federal grants, public charity grants, private foundation grants, or research grants.

Time and Accountability Report: Timesheet template used to capture actual hours worked.

Time Limited Positions: Non-full-time FTE positions established to perform work directly associated with a time-limited project, which are specific work products or services provided by a state agency.

Verb: An accounting screen that performs an accounting transaction.

BIBLIOGRAPHY

Flanigan, Eileen M. and Scott, Jon, Process Improvement, Enhancing Your Organization's Effectiveness, 1995, Crisp Publications, Inc., Library of Congress Catalog Number 95-67042.

Timm, Ph.D., Paul R. and Farr, Ph.D., Rick C., Business Research, An Informal Guide, 1994, Crisp Publications, Inc., Library of Congress Catalog Number 93-73200.

